

Report of Audit

on the

Financial Statements

of the

Borough of High Bridge

in the

County of Hunterdon
New Jersey

for the

Year Ended
December 31, 2013

BOROUGH OF HIGH BRIDGE

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BOROUGH OF HIGH BRIDGE

PART I

INDEPENDENT AUDITOR'S REPORT ON
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FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEARS ENDED DECEMBER 31, 2013 AND 2012



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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of High Bridge
County of Hunterdon
High Bridge, New Jersey 08829

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Borough of High Bridge, as of December 31, 2013 and 2012, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these regulatory financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the regulatory financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Borough of High Bridge's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough of High Bridge's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the regulatory financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles.

As described in Note 1 of the regulatory financial statements, the regulatory financial statements are prepared by the Borough of High Bridge on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Borough of High Bridge as of December 31, 2013 and 2012, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2013.

Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2013 and 2012, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2013 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of High Bridge's regulatory financial statements. The supplementary information and data and schedules of federal awards and state financial assistance listed in the table of contents as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey are presented for purposes of additional analysis and are not a required part of the regulatory financial statements.

The supplemental information and schedules listed above and also listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed and data in the table of contents, the schedules of expenditures of federal financial awards and state financial assistance are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2014 on our consideration of the Borough of High Bridge's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of High Bridge's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

June 4, 2014

CURRENT FUND

BOROUGH OF HIGH BRIDGE

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	BALANCE DECEMBER 31, 2013	BALANCE DECEMBER 31, 2012
Cash-Treasurer	A-4	\$ 3,495,388.04	\$ 3,065,025.27
Cash-Tax Collector	A-5	148,085.23	207,484.43
Change Fund	A-6	120.00	120.00
		<u>\$ 3,643,593.27</u>	<u>\$ 3,272,629.70</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	\$ 213,622.75	\$ 173,334.23
Tax Title Liens	A-12	5,031.70	3,667.85
Property Acquired for Taxes	A-22	176,000.00	243,600.00
Interfunds Receivable	A-10	5,673.77	4,592.97
	A	<u>\$ 400,328.22</u>	<u>\$ 425,195.05</u>
Deferred Charges:			
Special Emergency Authorization (40A:4-55)	A-28	\$ 28,798.00	\$ _____
		<u>\$ 28,798.00</u>	<u>\$ _____</u>
		<u>\$ 4,072,719.49</u>	<u>\$ 3,697,824.75</u>
Grant Fund:			
Grants Receivable	A-27	\$ 184,848.08	\$ 102,060.33
Due Current Fund	A-24	23,572.20	14,887.14
		<u>\$ 208,420.28</u>	<u>\$ 116,947.47</u>
		<u>\$ 4,281,139.77</u>	<u>\$ 3,814,772.22</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	A-3:A-13	\$ 207,452.93	\$ 97,524.03
Prepaid Taxes	A-17	44,907.16	30,128.74
Tax Overpayments	A-18	782.63	
Due State of New Jersey-Chapter 20, PL 1971	A-8	2,511.09	2,089.17
Interfunds Payable	A-10	23,572.20	14,887.14
County Taxes-Payable	A-14	0.06	89.50
Local District Taxes Payable	A-15	857,672.40	857,672.40
Regional High School Taxes Payable	A-16	478,696.84	348,960.31
Reserve for Encumbrances	A-20	307,793.20	208,032.73
Accounts Payable	A-26		3,630.00
Reserve for Miscellaneous Deposits	A-21	31,374.33	26,745.43
Reserve for Grants - Unappropriated	A-19	674,751.00	514,373.00
		\$ <u>2,629,513.84</u>	\$ <u>2,104,132.45</u>
Reserve for Receivables and Other Assets	A	400,328.22	425,195.05
Fund Balance	A-1	1,042,877.43	1,168,497.25
		\$ <u>4,072,719.49</u>	\$ <u>3,697,824.75</u>
Grant Fund:			
Encumbrances Payable	A-23	\$ 142,208.50	\$ 62,342.94
Appropriated Reserves	A-25	66,211.78	54,604.53
		\$ <u>208,420.28</u>	\$ <u>116,947.47</u>
		\$ <u>4,281,139.77</u>	\$ <u>3,814,772.22</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR 2013</u>	<u>YEAR 2012</u>
<u>REVENUE AND OTHER INCOME</u>			
Fund Balance Utilized	A-2	\$ 582,000.00	\$ 582,000.00
Miscellaneous Revenue Anticipated	A-2	2,522,156.46	2,465,845.53
Receipts from Delinquent Taxes	A-2	174,505.03	174,597.80
Receipts from Current Taxes	A-2	11,781,641.00	11,567,271.46
Non-Budget Revenue	A-2	133,412.99	95,321.50
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-13	221,237.52	237,310.13
Due from Others Collected			50,000.00
Grants Canceled			866.25
Interfunds Returned			2,416.27
Total Income		\$ 15,414,953.00	\$ 15,175,628.94
<u>EXPENDITURES</u>			
Budget Appropriations:			
Operations within "CAPS":			
Operating	A-3	\$ 3,517,682.02	\$ 3,408,290.71
Deferred Charges and Statutory Expenditures	A-3	302,765.01	267,039.03
Operations Excluded from "CAPS":			
Operating	A-3	257,146.78	182,450.22
Capital Improvements	A-3	259,000.00	259,000.00
Municipal Debt Service	A-3	1,617,809.00	1,535,697.26
Deferred Charges			124,676.56
Interfunds Advanced		1,080.80	
County Taxes	A-14	1,293,149.21	1,359,469.19
County Share of Added Taxes			89.50
Local District School Tax	A-15	5,467,998.00	5,391,565.00
Regional High School Tax	A-16	2,269,070.00	2,009,596.94
Refund of Prior Year Revenue	A-4	1,670.00	2,278.11
Total Expenditures		\$ 14,987,370.82	\$ 14,540,152.52
Excess in Revenue		\$ 427,582.18	\$ 635,476.42
Adjustments to Income Before Fund Balance			
Expenditures Included above which are by Statute			
Deferred Charges to the Budget of the Succeeding Year	A-3	28,798.00	
Statutory Excess to Fund Balance		\$ 456,380.18	\$ 635,476.42
<u>Fund Balance</u>			
Balance, January 1	A	1,168,497.25	1,115,020.83
		\$ 1,624,877.43	\$ 1,750,497.25
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	582,000.00	582,000.00
Fund Balance, December 31	A	\$ 1,042,877.43	\$ 1,168,497.25

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
		BUDGET	SPECIAL N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 582,000.00		\$ 582,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-9	\$ 5,400.00	\$	\$ 5,400.00	\$
Other	A-9	985.00		1,005.00	20.00
Fees and Permits:					
Construction Code Official	A-9	23,000.00		40,175.00	17,175.00
Interest on Investments	A-9	10,000.00		11,366.96	1,366.96
Golf Fees	A-9	1,196,000.00		1,215,166.37	19,166.37
Fines:					
Municipal Court	A-9	27,466.00		13,852.86	(13,613.14)
Interest and Costs on Taxes	A-9	29,000.00		39,509.30	10,509.30
Golf Course - Open Space	A-9	37,000.00		37,000.00	
Garden State Preservation Trust Fund	A-19	12,931.00		12,931.00	
Consolidated Municipal Property Tax Relief Aid	A-9	60,550.00		54,321.00	(6,229.00)
Energy Receipts Tax	A-9	231,359.00		237,587.80	6,228.80
Reserve for Vehicle Replacement Insurance	A-9	5,922.50		5,922.50	
Hunterdon County Open Space	A-9	11,595.00		11,599.20	4.20
Cable TV Franchise Fee	A-9	11,067.42		11,122.19	54.77
Recreation Fees	A-2	20,000.00		22,495.50	2,495.50
Green Acres Program	A-19	151,691.00		151,691.00	
Reserve for Debt Service	A-9	300,000.00		300,000.00	
Hunterdon County Grant	A-27	231,589.00		231,589.00	
Historic Society Grant	A-27	625.00		625.00	
Women's Club Signage	A-27		250.00	250.00	
Clean Communities Program	A-27		8,231.37	8,231.37	
Local History Grant	A-27		900.00	900.00	
Body Armor Replacement Fund	A-27		1,299.16	1,299.16	
Drunk Driving Enforcement Fund	A-27		3,000.00	3,000.00	
Recycling Tonnage Grant	A-27		3,723.13	3,723.13	
Plan Conformance	A-27		101,100.00	101,100.00	
Gazebo Repairs	A-27		293.12	293.12	
	A-1	\$ 2,366,180.92	\$ 118,796.78	\$ 2,522,156.46	\$ 37,178.76
Receipts from Delinquent Taxes	A-1:A-7	\$ 173,000.00	\$	\$ 174,505.03	\$ 1,505.03
Amount to be Raised by Taxation for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2:A-7	\$ 3,068,828.30	\$	\$ 3,134,624.98	\$ 65,796.68
<u>Budget Totals</u>		\$ 6,190,009.22	\$ 118,796.78	\$ 6,413,286.47	\$ 104,480.47
Non-Budget Revenue	A-1:A-2			133,412.99	133,412.99
		\$ 6,190,009.22	\$ 118,796.78	\$ 6,546,699.46	\$ 237,893.46
	REF.	A-3	A-3		

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	
Allocation of Current Tax Collections:		
Collections Realized on a Cash Basis	A-7	\$ 11,781,641.00
Allocated to:		
School and County Taxes		<u>9,030,217.21</u>
Balance for Support of Municipal Budget Appropriations		\$ 2,751,423.79
Add: Appropriation-"Reserve for Uncollected Taxes"	A-3	<u>383,201.19</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 3,134,624.98</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collections	A-7	\$ <u>174,505.03</u>
	A-2	<u>\$ 174,505.03</u>
Recreation Fees:	A-9	\$ 22,585.50
Less: Refunds	A-4	<u>90.00</u>
	A-2	<u>\$ 22,495.50</u>
<u>Analysis of Non-Budget Revenues</u>		
Miscellaneous Revenue Not Anticipated:		
Treasurer:		
Newsletter Advertising		\$ 1,631.00
Reimbursement of Costs		83,876.11
Restitution		666.26
Copies		38.84
Miscellaneous		3,656.66
Senior Citizen and Veterans Administrative Fee		550.00
Police Fees		1,630.15
CCO Permits		6,140.00
Clerk Fees		526.00
Parking Permits		720.00
Zoning Permits		1,750.00
Insurance Claims		<u>30,332.55</u>
	A-4	\$ 131,517.57
Tax Collector	A-5	<u>1,895.42</u>
	A-1:A-2	<u>\$ 133,412.99</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
<u>OPERATIONS WITHIN "CAPS"</u>				
<u>GENERAL GOVERNMENT</u>				
Administrative and Executive:				
Salaries and Wages	\$ 38,690.40	\$ 38,690.40	\$ 26,641.51	\$ 12,048.89
Other Expenses:				
Internet	4,750.00	4,750.00	4,655.08	94.92
Miscellaneous	250.00	250.00	218.90	31.10
Mayor and Council:				
Salaries and Wages	4,000.00	4,000.00	4,000.00	
Other Expenses:				
Advertising Costs	6,700.00	9,700.00	9,115.00	585.00
Newsletter	15,500.00	16,100.00	15,891.97	208.03
Miscellaneous	1,500.00	1,500.00	1,487.00	13.00
Municipal Clerk:				
Salaries and Wages	30,041.59	30,041.59	29,284.03	757.56
Other Expenses	4,425.00	8,223.00	7,826.90	396.10
Election Expense	3,750.00	2,750.00	1,933.50	816.50
Financial Administration:				
Salaries and Wages	41,233.83	43,063.83	42,782.56	281.27
Other Expenses	7,400.00	6,470.00	5,937.20	532.80
Audit Services	24,755.00	23,855.00	23,806.00	49.00
Assessment of Taxes:				
Salaries and Wages	15,807.82	15,807.82	15,803.52	4.30
Other Expenses	2,600.00	2,600.00	2,430.59	169.41
Preparation of Approved Tax Maps		25,000.00	23,500.00	1,500.00
Revenue Administration:				
Salaries and Wages	41,233.83	42,043.83	41,756.51	287.32
Other Expenses	6,875.00	6,065.00	5,538.86	526.14
Legal Services and Costs:				
Other Expenses	62,000.00	62,000.00	62,000.00	
Engineering Services and Costs:				
Other Expenses	9,500.00	9,500.00	6,000.00	3,500.00

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED	
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>
<u>OPERATIONS WITHIN "CAPS" (CONTINUED)</u>				
Planning Board:				
Salaries and Wages	\$ 3,500.00	\$ 2,500.00	\$ 1,101.60	\$ 1,398.40
Other Expenses	2,000.00	2,000.00	885.00	1,115.00
Zoning Costs:				
Salaries and Wages	4,573.80	4,574.00	4,574.00	
Economic Development:				
Other Expenses	500.00	500.00	347.79	152.21
Environmental Commission:				
Other Expenses	1,500.00	1,500.00	1,500.00	
Insurance:				
Other Insurance Premiums	136,833.00	126,833.00	126,079.50	753.50
Workers Compensation	55,668.00	55,668.00	52,293.00	3,375.00
Employee Group Health	240,411.00	240,411.00	219,370.49	21,040.51
<u>PUBLIC SAFETY</u>				
Fire:				
Other Expenses	58,900.00	58,900.00	58,900.00	
Police:				
Salaries and Wages	717,452.75	709,452.75	702,534.96	6,917.79
Other Expenses:				
Lease of Police Cars	24,732.18	24,732.18	24,671.68	60.50
Miscellaneous	42,000.00	50,000.00	49,236.00	764.00
First Aid Organization Contribution	40,000.00	40,000.00	40,000.00	
Emergency Management Services:				
Other Expenses	3,000.00	3,000.00	2,995.72	4.28
Municipal Prosecutor:				
Salaries and Wages	5,027.34	1,027.34	165.00	862.34
Public Defender:				
Salaries and Wages	2,125.56	125.56	82.50	43.06
<u>PUBLIC WORKS:</u>				
Streets and Road Maintenance:				
Salaries and Wages	177,160.55	166,160.55	156,385.63	9,774.92
Other Expenses	106,279.26	111,279.26	108,235.49	3,043.77
Public Building and Grounds:				
Maintenance and Repairs	69,815.00	84,815.00	81,307.82	3,507.18
Other Expenses	16,600.00	15,000.00	13,123.88	1,876.12

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
<u>HEALTH AND HUMAN SERVICES:</u>				
Board of Health:				
Other Expenses	\$ 5,340.00	\$ 5,340.00	\$ 5,336.40	3.60
<u>PARKS AND RECREATION:</u>				
Recreation Services:				
Salaries and Wages	8,000.00	8,000.00	7,054.84	945.16
Other Expenses:				
Special Events	2,750.00	2,750.00	2,616.34	133.66
Miscellaneous	3,500.00	3,500.00	3,429.58	70.42
Golf Course:				
Other Expenses	1,200,000.00	1,200,000.00	1,097,343.89	102,656.11
Expenses of Participation in County Library:				
Salaries and Wages	20,338.86	20,338.86	19,190.00	1,148.86
Other Expenses	200.00	200.00	100.00	100.00
<u>STATE UNIFORM CONSTRUCTION CODE (N.J.S.A.52:270-120 ET.SEQ.)</u>				
Building Inspector:				
Salaries and Wages	4,573.80	4,574.00	4,574.00	
Construction Code Enforcement:				
Salaries and Wages	24,266.11	24,266.11	24,201.22	64.89
Other Expenses	369.34	368.94	337.00	31.94
<u>UTILITIES:</u>				
Telephone	18,200.00	19,900.00	19,797.87	102.13
Electricity	22,800.00	29,800.00	28,558.72	1,241.28
Water	5,830.00	6,130.00	6,094.56	35.44
Gasoline	60,000.00	58,300.00	56,000.00	2,300.00
Fuel Oil	40,625.00	40,325.00	40,123.26	201.74
Street Lighting	43,000.00	43,000.00	38,192.41	4,807.59
<u>TOTAL OPERATIONS WITHIN "CAPS"</u>	\$ 3,488,884.02	\$ 3,517,682.02	\$ 3,327,349.28	\$ 190,332.74

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
<u>DEFERRED CHARGES AND OTHER STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u>				
Statutory Expenditures:				
Contribution To:				
Social Security System (OASI)	\$ 87,059.01	\$ 87,059.01	\$ 80,680.08	\$ 6,378.93
Police and Fireman's Retirement System	147,350.00	147,350.00	147,050.00	300.00
Public Employees Retirement System	68,356.00	68,356.00	68,056.00	300.00
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"</u>	<u>\$ 302,765.01</u>	<u>\$ 302,765.01</u>	<u>\$ 295,786.08</u>	<u>\$ 6,978.93</u>
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u>	<u>\$ 3,791,649.03</u>	<u>\$ 3,820,447.03</u>	<u>\$ 3,623,135.36</u>	<u>\$ 197,311.67</u>
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>				
Affordable Housing Appropriation	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	
Environmental Testing	53,000.00	53,000.00	53,000.00	
Length of Service Award Program (LOSAP)	30,100.00	30,100.00	24,500.00	5,600.00
Stormwater Management Engineering	500.00	500.00	500.00	
<u>TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"</u>	<u>\$ 86,600.00</u>	<u>\$ 86,600.00</u>	<u>\$ 81,000.00</u>	<u>\$ 5,600.00</u>
<u>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</u>				
North Hunterdon Municipal Court:				
Other Expenses	\$ 50,500.00	\$ 50,500.00	\$ 45,958.74	\$ 4,541.26
<u>TOTAL INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</u>	<u>\$ 50,500.00</u>	<u>\$ 50,500.00</u>	<u>\$ 45,958.74</u>	<u>\$ 4,541.26</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
<u>PUBLIC PRIVATE PROGRAMS OFF-SET BY REVENUES</u>				
Historic Society - Grant	\$ 625.00	\$ 625.00	\$ 625.00	
Historic Society - Match	625.00	625.00	625.00	
Womens Club- High Bridge Signage (N.J.S. 40A:4-87 +\$250.00)		250.00	250.00	
Local History Block Grant (N.J.S. 40A:4-87 +\$900.00)		900.00	900.00	
Plan Conformance Grant(N.J.S.40A:4-87 +\$101,100.00)		101,100.00	101,100.00	
Body Armor Replacement Fund (N.J.S. 40A:4-87 + \$1,299.16)		1,299.16	1,299.16	
Recycling Tonnage Grant (N.J.S. 40A:4-87 +\$3,723.13)		3,723.13	3,723.13	
Gazebo Repairs (N.J.S. 40A:4-87 +\$293.12)		293.12	293.12	
Clean Communities (N.J.S. 40A:4-87 +\$8,231.37)		8,231.37	8,231.37	
Drunk Driving Enforcement Fund (N.J.S. 40A:4-87 +\$3,000.00)		3,000.00	3,000.00	
<u>TOTAL PUBLIC AND PRIVATE PROGRAMS OFF-SET BY REVENUE</u>	<u>\$ 1,250.00</u>	<u>\$ 120,046.78</u>	<u>\$ 120,046.78</u>	
<u>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</u>	<u>\$ 138,350.00</u>	<u>\$ 257,146.78</u>	<u>\$ 247,005.52</u>	<u>10,141.26</u>
<u>CAPITAL IMPROVEMENTS-EXCLUDED FROM "CAPS"</u>				
Capital Improvement Fund	\$ 259,000.00	\$ 259,000.00	\$ 259,000.00	
<u>TOTAL CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"</u>	<u>\$ 259,000.00</u>	<u>\$ 259,000.00</u>	<u>\$ 259,000.00</u>	
<u>MUNICIPAL DEBT SERVICE-EXCLUDED FROM "CAPS"</u>				
Payment of Bond Principal	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00	
Payment of Bond Anticipation Notes & Capital Notes	378,362.00	378,362.00	378,362.00	
Interest on Bonds	396,640.00	396,640.00	396,640.00	
Interest on Notes	206,347.00	206,347.00	206,347.00	
Green Trust Loan Program:				
Loan Payment for Capital Lease	83,000.00	83,000.00	83,000.00	
Loan Repayments for Principal & Interest	153,460.00	153,460.00	153,460.00	
<u>TOTAL MUNICIPAL DEBT SERVICE-EXCLUDED FROM "CAPS"</u>	<u>\$ 1,617,809.00</u>	<u>\$ 1,617,809.00</u>	<u>\$ 1,617,809.00</u>	

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>	
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	\$ 2,015,159.00	\$ 2,133,955.78	\$ 2,123,814.52	\$ 10,141.26
SUB-TOTAL GENERAL APPROPRIATIONS	\$ 5,806,808.03	\$ 5,954,402.81	\$ 5,746,949.88	\$ 207,452.93
RESERVE FOR UNCOLLECTED TAXES	<u>383,201.19</u>	<u>383,201.19</u>	<u>383,201.19</u>	
<u>TOTAL GENERAL APPROPRIATIONS</u>	<u>\$ 6,190,009.22</u>	<u>\$ 6,337,604.00</u>	<u>\$ 6,130,151.07</u>	<u>\$ 207,452.93</u>
	<u>REF.</u>	A-2	A-1	A:A-1
Reserve for Encumbrances	A-20		\$ 306,933.20	
Reserve for Uncollected Taxes	A-2		383,201.19	
Reserve for Grants Appropriated	A-25		120,046.78	
Cash Disbursements	A-4		<u>5,319,969.90</u>	
			\$ <u>6,130,151.07</u>	
Budget	A-3	\$ 6,190,009.22		
Special Emergency 40A:4-55	A-28	28,798.00		
Appropriation by 40A:4-87	A-2	<u>118,796.78</u>		
		\$ <u>6,337,604.00</u>		

The accompanying Notes to the Financial Statements are an integral part of this statement.

TRUST FUND

BOROUGH OF HIGH BRIDGE

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u>
<u>ASSETS</u>			
Animal Control Trust Fund:			
Cash	B-1	\$ <u>3,537.94</u>	\$ <u>5,029.90</u>
		<u>3,537.94</u>	<u>5,029.90</u>
Other Funds:			
Cash	B-1	\$ 270,918.88	\$ 262,250.77
Rehabilitation Loans Receivable	B-4	4,390.00	4,390.00
Due General Capital Fund	B-7	<u>4,851.25</u>	<u>3,930.83</u>
		\$ <u>280,160.13</u>	\$ <u>270,571.60</u>
		\$ <u><u>283,698.07</u></u>	\$ <u><u>275,601.50</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Animal Control Trust Fund:			
Due Current Fund	B-6	\$ 23.06	\$ 13.12
Due From State of New Jersey	B-3	135.00	136.20
Encumbrances Payable	B-2	70.01	1,800.60
Reserve for Animal Control Fund Expenditures	B-2	<u>3,309.87</u>	<u>3,079.98</u>
		\$ <u>3,537.94</u>	\$ <u>5,029.90</u>
Other Funds:			
Due Current Fund	B-6	\$ 5,650.71	\$ 4,579.85
Reserve for:			
Encumbrances	B-5	3,056.21	2,948.06
Various Reserves and Deposits	B-5	<u>271,453.21</u>	<u>263,043.69</u>
		\$ <u>280,160.13</u>	\$ <u>270,571.60</u>
		\$ <u><u>283,698.07</u></u>	\$ <u><u>275,601.50</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

GENERAL CAPITAL FUND

"C"

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u>
<u>ASSETS</u>			
Cash	C-2:C-3	\$ 1,887,342.08	\$ 1,349,451.32
Deferred Charges to Future Taxation - Funded	C-4	9,836,954.52	10,364,571.25
Deferred Charges to Future Taxation - Unfunded	C-5	3,878,178.52	4,070,940.52
Grants Receivable	C-10	<u>595,000.00</u>	<u>308,750.00</u>
		\$ <u>16,197,475.12</u>	\$ <u>16,093,713.09</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-12	\$ 8,473,000.00	\$ 8,873,000.00
Bond Anticipation Notes	C-13	578,178.00	770,940.00
Environmental Infrastructure Loans Payable	C-14	679,937.77	724,531.64
Green Acres Loans Payable	C-11	684,016.75	767,039.61
Improvement Authorizations:			
Funded	C-7	1,021,889.47	578,446.90
Unfunded	C-7	191,218.37	209,374.05
Various Reserves and Deposits	C-15	4,011,941.54	3,658,344.77
Contracts Payable	C-6	276,204.51	80,075.85
Due Trust Fund		4,851.25	3,930.83
Capital Improvement Fund	C-8	29,896.08	137,865.70
Fund Balance	C-1	<u>246,341.38</u>	<u>290,163.74</u>
		\$ <u>16,197,475.12</u>	\$ <u>16,093,713.09</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2012	C	\$ 290,163.74
Increased by:		
Permanently Funded Improvement Authorizations Canceled	C-7	<u>6,177.64</u>
		\$ <u>296,341.38</u>
Decreased by:		
Appropriation to Fund Improvement Authorizations	C-7	<u>50,000.00</u>
Balance, December 31, 2013	C	\$ <u><u>246,341.38</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

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WATER UTILITY FUND

BOROUGH OF HIGH BRIDGE

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE DECEMBER 31, 2012</u>
Operating Fund:			
Cash - Treasurer	D-5	\$ 112,991.73	\$ 104,277.13
		<u>\$ 112,991.73</u>	<u>\$ 104,277.13</u>
Receivables and Inventories With Full Reserves:			
Consumer Accounts Receivable	D-7	\$ 20,237.46	\$ 19,804.02
	D	<u>\$ 20,237.46</u>	<u>\$ 19,804.02</u>
Deferred Charges:			
Operating Deficit	D-14	\$	\$ 7,063.49
Emergency Authorizations	D-14	<u>\$</u>	<u>25,000.00</u>
		<u>\$</u>	<u>\$ 32,063.49</u>
<u>Total Operating Fund</u>		<u>\$ 133,229.19</u>	<u>\$ 156,144.64</u>
Capital Fund:			
Cash	D-5	\$ 24,065.79	\$ 46,603.94
Fixed Capital	D-20	3,605,062.91	3,376,275.69
Fixed Capital Authorized and Uncompleted	D-21	<u>50,000.00</u>	<u>282,500.00</u>
<u>Total Capital Fund</u>		<u>\$ 3,679,128.70</u>	<u>\$ 3,705,379.63</u>
		<u>\$ 3,812,357.89</u>	<u>\$ 3,861,524.27</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE DECEMBER 31, 2012</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4:D-10	\$ 14,158.10	\$ 13,945.37
Accrued Interest	D-12	1,768.79	1,117.54
Encumbrances Payable	D-11	37,654.90	19,609.10
		\$ 53,581.79	\$ 34,672.01
Reserve for Receivables and Inventory	D	20,237.46	19,804.02
Fund Balance	D-1	59,409.94	101,668.61
<u>Total Operating Fund</u>		\$ 133,229.19	\$ 156,144.64
Capital Fund:			
Improvement Authorizations:			
Funded	D-15	\$	\$ 13,524.15
Unfunded	D-15		453.05
Capital Improvement Fund	D-18	127,503.87	25,668.33
Bond Anticipation Notes	D-19	39,300.00	50,850.00
Reserve for:			
Contracts Payable	D-17	9,860.00	121,488.98
Amortization	D-16	3,446,511.17	3,271,673.95
Deferred Amortization	D-13	50,000.00	217,000.00
Fund Balance	D-2	5,953.66	4,721.17
<u>Total Capital Fund</u>		\$ 3,679,128.70	\$ 3,705,379.63
		\$ 3,812,357.89	\$ 3,861,524.27

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGEWATER UTILITY FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	YEAR ENDED DECEMBER 31, 2013	YEAR ENDED DECEMBER 31, 2012
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-3	\$ 56,449.62	\$ 44,500.00
Rents	D-3	287,243.22	306,537.22
Miscellaneous	D-3	5,772.28	4,229.28
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-10	<u>21,175.45</u>	<u>12,170.01</u>
<u>TOTAL INCOME</u>		<u>\$ 370,640.57</u>	<u>\$ 367,436.51</u>
<u>EXPENDITURES</u>			
Operating	D-4	\$ 297,594.53	\$ 317,086.78
Capital Improvements	D-4	5,000.00	60,000.00
Debt Service	D-4	12,964.00	12,964.00
Statutory Expenditures and Deferred Charges	D-4	<u>40,891.09</u>	<u>9,449.22</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 356,449.62</u>	<u>\$ 399,500.00</u>
Excess (Deficit) in Revenue to Fund Balance		\$ 14,190.95	\$ (32,063.49)
Adjustments to Income Before Fund Balance:			
Expenditures included above which are by Statute			
Deferred Charges to Budget of Succeeding Year			<u>25,000.00</u>
Statutory Excess to Fund Balance		\$ 14,190.95	\$
Deficit in Operations to be raised in Budget of Succeeding Year		<u>\$</u>	<u>\$ 7,063.49</u>
<u>Fund Balance</u>			
Balance, January 1	D	<u>101,668.61</u>	<u>146,168.61</u>
		\$ 115,859.56	\$ 146,168.61
Decreased by:			
Utilization by Water Operating Budget	D-1:D-3	<u>56,449.62</u>	<u>44,500.00</u>
Balance, December 31	D	<u>\$ 59,409.94</u>	<u>\$ 101,668.61</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

WATER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2012	D	\$	4,721.17
Increased:			
Fully Funded Ordinances Canceled	D-15		<u>1,232.49</u>
Balance, December 31, 2013	D	\$	<u><u>5,953.66</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

WATER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR</u> <u>(DEFICIT)</u>
Fund Balance Anticipated	D-1	\$ 56,449.62	\$ 56,449.62	\$
Water Use Charges	D-1:D-7	300,000.00	287,243.22	(12,756.78)
Miscellaneous	D-1:D-3		5,772.28	5,772.28
	D-4	\$ <u>356,449.62</u>	\$ <u>349,465.12</u>	\$ <u>(6,984.50)</u>

ANALYSIS OF REALIZED REVENUE

Miscellaneous:

Treasurer:

Interest on Investments

Miscellaneous

	\$	129.60	
		<u>2,360.30</u>	
D-5	\$		2,489.90

Collector:

Interest on Delinquent Accounts

Interest on Investments

Miscellaneous

			1,990.67
			116.01
			<u>1,175.70</u>
D-3	\$	<u>5,772.28</u>	

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

WATER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Operating:				
Salaries and Wages	\$ 105,589.53	\$ 115,939.53	\$ 113,496.67	\$ 2,442.86
Other Expenses	192,755.00	181,655.00	170,084.98	11,570.02
<u>Total Operating</u>	<u>\$ 298,344.53</u>	<u>\$ 297,594.53</u>	<u>\$ 283,581.65</u>	<u>\$ 14,012.88</u>
Capital Improvements:				
Capital Improvement Fund	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$
<u>Total Capital Improvements</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>	<u>\$</u>
Debt Services:				
Payment of Bond Anticipation Notes	\$ 11,550.00	\$ 11,550.00	\$ 11,550.00	\$
Interest on Notes	1,414.00	1,414.00	1,414.00	
<u>Total Debt Services</u>	<u>\$ 12,964.00</u>	<u>\$ 12,964.00</u>	<u>\$ 12,964.00</u>	<u>\$</u>
Deferred Charges:				
Emergency Authorizations	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$
Operating Deficit	7,063.49	7,063.49	7,063.49	
<u>Total Deferred Charges</u>	<u>\$ 32,063.49</u>	<u>\$ 32,063.49</u>	<u>\$ 32,063.49</u>	<u>\$</u>
Statutory Expenditures:				
Contributions To:				
Social Security System (O.A.S.I.)	\$ 8,077.60	\$ 8,827.60	\$ 8,682.38	\$ 145.22
<u>Total Statutory Expenditures</u>	<u>\$ 8,077.60</u>	<u>\$ 8,827.60</u>	<u>\$ 8,682.38</u>	<u>\$ 145.22</u>
	<u>\$ 356,449.62</u>	<u>\$ 356,449.62</u>	<u>\$ 342,291.52</u>	<u>\$ 14,158.10</u>
	<u>REF.</u>	<u>D-3</u>	<u>D-1</u>	<u>D:D-1</u>
Cash Disbursements	D-5		\$ 273,564.03	
Encumbrances Payable	D-11		35,250.00	
Deferred Charges	D-14		32,063.49	
Accrued Interest	D-12		1,414.00	
			<u>\$ 342,291.52</u>	

; Notes to the Financial Statements are an integral part of this statement.

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SEWER UTILITY FUND

BOROUGH OF HIGH BRIDGE

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE DECEMBER 31, 2012</u>
Operating Fund:			
Cash - Treasurer	E-5	\$ 978,990.64	\$ 900,261.83
		<u>\$ 978,990.64</u>	<u>\$ 900,261.83</u>
Receivables and Inventories with Full Reserves:			
Consumer Accounts Receivable	E-7	\$ 65,303.86	\$ 49,085.45
	E	<u>\$ 65,303.86</u>	<u>\$ 49,085.45</u>
<u>Total Operating Fund</u>		<u>\$ 1,044,294.50</u>	<u>\$ 949,347.28</u>
Capital Fund:			
Cash	E-5	\$ 254,812.29	\$ 254,812.29
Fixed Capital	E-18	5,369,481.34	5,369,481.34
Fixed Capital Authorized and Uncompleted	E-19	<u>117,000.00</u>	<u>57,000.00</u>
<u>Total Capital Fund</u>		<u>\$ 5,741,293.63</u>	<u>\$ 5,681,293.63</u>
		<u>\$ 6,785,588.13</u>	<u>\$ 6,630,640.91</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE DECEMBER 31, 2012</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	E-4:E-10	\$ 181,327.38	\$ 132,832.14
Accrued Interest Payable	E-20	48,997.34	48,833.59
Encumbrances Payable	E-11	110,543.35	145,406.24
		\$ 340,868.07	\$ 327,071.97
Reserve for Receivables	E	65,303.86	49,085.45
Fund Balance	E-1	638,122.57	573,189.86
		<u>1,044,294.50</u>	<u>949,347.28</u>
<u>Total Operating Fund</u>			
Capital Fund:			
Improvement Authorizations:			
Funded	E-15	\$ 71,175.00	\$ 52,000.00
Capital Improvement Fund	E-13	133,817.63	193,817.63
Serial Bond Payable	E-17	2,902,000.00	2,917,000.00
Down Payment on Capital Improvements	E-14	2,500.00	2,500.00
Reserve For:			
Contracts Payable	E-21	45,825.00	5,000.00
Amortization	E-16	2,467,481.34	2,452,481.34
Deferred Amortization	E-12	117,000.00	57,000.00
Fund Balance	E-2	1,494.66	1,494.66
		<u>5,741,293.63</u>	<u>5,681,293.63</u>
<u>Total Capital Fund</u>			
		<u>\$ 6,785,588.13</u>	<u>\$ 6,630,640.91</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGESEWER UTILITY FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	YEAR ENDED DECEMBER <u>31, 2013</u>	YEAR ENDED DECEMBER <u>31, 2012</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	E-3	\$ 119,296.56	\$ 168,398.00
Sewer Service Charges	E-3	755,969.51	768,132.86
Miscellaneous	E-3	8,077.99	7,985.72
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-10	<u>170,181.77</u>	<u>8,762.98</u>
<u>TOTAL INCOME</u>		<u>\$ 1,053,525.83</u>	<u>\$ 953,279.56</u>
<u>EXPENDITURES</u>			
Operating	E-4	\$ 715,186.83	\$ 756,866.89
Capital Improvements			25,000.00
Debt Service	E-4	145,000.00	140,100.00
Statutory Expenditures and Deferred Charges	E-4	<u>9,109.73</u>	<u>8,931.11</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 869,296.56</u>	<u>\$ 930,898.00</u>
Excess in Revenue		\$ 184,229.27	\$ 22,381.56
<u>Fund Balance</u>			
Balance, January 1	E	<u>573,189.86</u>	<u>719,206.30</u>
		\$ 757,419.13	\$ 741,587.86
Decreased by:			
Utilization by Sewer Operating Budget	E-1:E-3	<u>119,296.56</u>	<u>168,398.00</u>
Balance, December 31	E	<u>\$ 638,122.57</u>	<u>\$ 573,189.86</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

SEWER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2012	E	\$	1,494.66
Balance, December 31, 2013	E	\$	<u>1,494.66</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR</u> <u>(DEFICIT)</u>
Fund Balance Anticipated	E-1	\$ 119,296.56	\$ 119,296.56	\$
Sewer Use Charges	E-1:E-7	750,000.00	755,969.51	5,969.51
Miscellaneous	E-1:E-3		8,077.99	8,077.99
	E-4	\$ <u>869,296.56</u>	\$ <u>883,344.06</u>	\$ <u>14,047.50</u>

ANALYSIS OF REALIZED REVENUE

Miscellaneous:

Treasurer:

Interest on Investments E-5 \$ 2,769.51

Collector:

Interest on Delinquent Accounts E-6 \$ 5,192.52
Interest on Investments E-6 115.96
\$ 5,308.48

E-3 \$ 8,077.99

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Operating:				
Salaries and Wages	\$ 119,081.43	\$ 119,081.43	\$ 102,603.86	\$ 16,477.57
Other Expenses	596,105.40	596,105.40	432,302.41	163,802.99
<u>Total Operating</u>	<u>\$ 715,186.83</u>	<u>\$ 715,186.83</u>	<u>\$ 534,906.27</u>	<u>\$ 180,280.56</u>
Debt Services:				
Payment of Bond Principal	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	
Interest on Bonds	130,000.00	130,000.00	130,000.00	
<u>Total Debt Services</u>	<u>\$ 145,000.00</u>	<u>\$ 145,000.00</u>	<u>\$ 145,000.00</u>	
Statutory Expenditures:				
Contributions to:				
Social Security System (O.A.S.I.)	\$ 9,109.73	\$ 9,109.73	\$ 8,062.91	\$ 1,046.82
<u>Total Statutory Expenditures</u>	<u>\$ 9,109.73</u>	<u>\$ 9,109.73</u>	<u>\$ 8,062.91</u>	<u>\$ 1,046.82</u>
	<u>\$ 869,296.56</u>	<u>\$ 869,296.56</u>	<u>\$ 687,969.18</u>	<u>\$ 181,327.38</u>
	REF. E-3		E-1	E:E-1
Cash Disbursements	E-5		\$ 447,425.83	
Encumbrances Payable	E-11		110,543.35	
Accrued Interest	E-20		130,000.00	
			<u>\$ 687,969.18</u>	

The accompanying Notes to the Financial Statements are an integral part of this statement.

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SOLID WASTE UTILITY FUND

BOROUGH OF HIGH BRIDGE

SOLID WASTE UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE DECEMBER 31, 2012</u>
Operating Fund:			
Cash - Treasurer	F-4	\$ 270,993.00	\$ 210,738.25
		<u>\$ 270,993.00</u>	<u>\$ 210,738.25</u>
Receivables and Inventories with Full Reserves:			
Consumer Accounts Receivable	F-6	\$ 34,542.33	\$ 29,537.34
	F	<u>\$ 34,542.33</u>	<u>\$ 29,537.34</u>
<u>Total Operating Fund</u>		<u>\$ 305,535.33</u>	<u>\$ 240,275.59</u>
Capital Fund:			
Cash	F-4	\$ 6,280.78	\$ 6,280.78
Fixed Capital	F-10	48,588.67	48,588.67
Fixed Capital Authorized and Uncompleted	F-8	<u>114,000.00</u>	<u>114,000.00</u>
<u>Total Capital Fund</u>		<u>\$ 168,869.45</u>	<u>\$ 168,869.45</u>
		<u>\$ 474,404.78</u>	<u>\$ 409,145.04</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	F-3:F-9	\$ 6,601.39	\$ 8,380.68
Encumbrances Payable	F-7	21,091.00	19,459.00
		<u>\$ 27,692.39</u>	<u>\$ 27,839.68</u>
Reserve for Receivables and Inventory	F	34,542.33	29,537.34
Fund Balance	F-1	<u>243,300.61</u>	<u>182,898.57</u>
<u>Total Operating Fund</u>		<u>\$ 305,535.33</u>	<u>\$ 240,275.59</u>
Capital Fund:			
Capital Improvement Fund	F-13	\$ 6,280.78	\$ 6,280.78
Reserve for:			
Amortization	F-12	48,588.67	48,588.67
Deferred Amortization	F-11	<u>114,000.00</u>	<u>114,000.00</u>
<u>Total Capital Fund</u>		<u>\$ 168,869.45</u>	<u>\$ 168,869.45</u>
		<u>\$ 474,404.78</u>	<u>\$ 409,145.04</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

SOLID WASTE UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	<u>YEAR ENDED DECEMBER 31, 2013</u>	<u>YEAR ENDED DECEMBER 31, 2012</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Solid Waste Collection Fees	F-2	\$ 368,120.33	\$ 371,389.50
Other Credits to Income:			
Miscellaneous Revenue not Anticipated	F-2	5,283.37	4,699.01
Unexpended Balance of Appropriation Reserves	F-9	<u>8,380.68</u>	<u>14,208.46</u>
<u>TOTAL INCOME</u>		<u>\$ 381,784.38</u>	<u>\$ 390,296.97</u>
<u>EXPENDITURES</u>			
Operating	F-3	\$ 318,253.95	\$ 321,432.95
Statutory Expenditures and Deferred Charges	F-3	<u>3,128.39</u>	<u>3,067.05</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 321,382.34</u>	<u>\$ 324,500.00</u>
Excess in Revenue		\$ 60,402.04	\$ 65,796.97
<u>Fund Balance</u>			
Balance, January 1	F	<u>182,898.57</u>	<u>117,101.60</u>
Balance, December 31	F	<u>\$ 243,300.61</u>	<u>\$ 182,898.57</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGESOLID WASTE UTILITY OPERATING FUNDSTATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Solid Waste Use Charges	F-1:F-6	\$ 321,382.34	\$ 368,120.33	\$ 46,737.99
Miscellaneous Revenue not Anticipated	F-1:F-2		<u>5,283.37</u>	<u>5,283.37</u>
	F-3	<u>\$ 321,382.34</u>	<u>\$ 373,403.70</u>	<u>\$ 52,021.36</u>

ANALYSIS OF REALIZED REVENUE

Miscellaneous:

Treasurer:

Interest on Investments

\$ 506.85

Miscellaneous

1,516.00

F-4

\$ 2,022.85

Collector:

Interest on Investments

F-5

115.91

Interest on Delinquent Accounts

F-5

3,144.61

F-2

\$ 5,283.37

The accompanying Notes to the Financial Statements are an integral part of this statement.

BOROUGH OF HIGH BRIDGE

SOLID WASTE UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Operating:				
Salaries and Wages	\$ 40,893.95	\$ 40,893.95	\$ 37,529.75	\$ 3,364.20
Other Expenses	277,360.00	277,360.00	274,380.91	2,979.09
<u>Total Operating</u>	<u>\$ 318,253.95</u>	<u>\$ 318,253.95</u>	<u>\$ 311,910.66</u>	<u>\$ 6,343.29</u>
Statutory Expenditures:				
Contributions to:				
	\$ 3,128.39	\$ 3,128.39	\$ 2,870.29	\$ 258.10
<u>Total Statutory Expenditures</u>	<u>\$ 3,128.39</u>	<u>\$ 3,128.39</u>	<u>\$ 2,870.29</u>	<u>\$ 258.10</u>
	<u>\$ 321,382.34</u>	<u>\$ 321,382.34</u>	<u>\$ 314,780.95</u>	<u>\$ 6,601.39</u>
<u>REF.</u>	F-2		F-1	F:F-1
Cash Disbursements	F-4		\$ 293,689.95	
Encumbrances Payable	F-7		21,091.00	
			<u>\$ 314,780.95</u>	

The accompanying Notes to the Financial Statements are an integral part of this statement.

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GENERAL FIXED ASSETS ACCOUNT GROUP

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BOROUGH OF HIGH BRIDGE

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEETS - REGULATORY BASIS

	DECEMBER <u>31, 2013</u>	DECEMBER <u>31, 2012</u>
General Fixed Assets:		
Land and Buildings	\$ 11,344,038.83	\$ 11,316,266.62
Machinery and Equipment	<u>5,657,216.22</u>	<u>5,124,169.65</u>
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 17,001,255.05</u>	<u>\$ 16,440,436.27</u>
Investment in General Fixed Assets	<u>\$ 17,001,255.05</u>	<u>\$ 16,440,436.27</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF HIGH BRIDGE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013 AND 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of High Bridge is an instrumentality of the State of New Jersey, established to function as a municipality. The Borough Council consists of elected officials and is responsible for the fiscal control of the Borough.

Except as noted below, the financial statements of the Borough of High Bridge include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of High Bridge, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough of High Bridge do not include the operations of the Volunteer Fire Companies, First Aid Squad, Public library or the local and regional school districts, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds, as well as government-wide financial reporting that must be used by governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Borough of High Bridge conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Borough of High Bridge are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Borough accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Water Utility Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally owned Water Utility.

Sewer Utility Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

Solid Waste Utility Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally owned Solid Waste Utility.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. All grants are realized as revenues when anticipated in the Borough's budget. Receivables for property taxes and consumer charges are recorded with offsetting reserves on the balance sheet of the Borough's Current, Sewer, Water and Solid Waste Funds; accordingly, such amounts are not recorded as revenue until collected.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Other amounts that are due the Borough, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenues when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements and constitute part of the Borough's statutory Appropriation Reserve balance.

Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis, interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as revenue in a future budget. GAAP requires such proceeds to be recorded as a gain or loss on disposition in the year of sale.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Asset Account Group rather than in a governmental fund. No depreciation has been provided on General Fixed Assets or reported in the financial statements.

The Borough has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Adjustments for assets acquired/sold subsequent to this date have been recorded. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Buildings and land are stated at the assessed value contained in the Borough's most recent property revaluation.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital has not been accounted for separately.

Inventories of Supplies - The cost of inventories of supplies for all utility funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset for proprietary funds.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Water Utility, Sewer Utility and Solid Waste Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Water Utility Fund, Sewer Utility Fund and the Solid Waste Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the cost of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the basic financial statements to be held in accordance with GAAP. The Borough presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Borough considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Borough considers change funds; cash in bank, investment in certificates of deposits as cash and cash equivalents. The Borough of High Bridge has the following cash and cash equivalents at December 31, 2013:

FUND	CASH IN BANK	CASH EQUIVALENTS	ON HAND/ IN TRANSIT	OUTSTANDING CHECKS	TOTAL
Current Fund	\$ 3,669,392.89	\$ 9,705.65	\$ 2,437.78	\$ 37,943.05	\$ 3,643,593.27
Animal Control Fund	3,537.94				3,537.94
Other Trust Fund	276,921.42		237.59	6,240.13	270,918.88
General Capital Fund	1,887,708.76			366.68	1,887,342.08
Water Utility Operating Fund	91,864.50		21,206.00	78.77	112,991.73
Water Utility Capital Fund	24,070.90			5.11	24,065.79
Sewer Utility Operating Fund	930,283.79		48,726.05	19.20	978,990.64
Sewer Utility Capital Fund	254,866.73			54.44	254,812.29
Solid Waste Utility Operating Fund	245,490.91		25,502.09		270,993.00
Solid Waste Utility Capital Fund	6,282.13			1.35	6,280.78
<u>TOTAL DECEMBER 31, 2013</u>	<u>\$ 7,390,419.97</u>	<u>\$ 9,705.65</u>	<u>\$ 72,607.42</u>	<u>\$ 44,707.38</u>	<u>\$ 7,453,526.40</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute. As of December 31, 2013, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial risk. Of the cash on balance in the bank, \$507,510.03 was covered by Federal Depository Insurance and \$6,882,909.94 was covered under the provisions of NJGUDPA. \$9,705.65 invested in the New Jersey Cash Management fund (cash equivalents) is uninsured.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the Borough is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located;
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (c.52:18A-90.4); or

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (c. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2013 the Borough has \$9,705.65 on deposit with the New Jersey Cash Management Fund. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1, and existing investment practices of the Investment Council of the New Jersey Cash Management Fund, the Borough is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: MUNICIPAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Borough are general obligation bonds, based by the full faith and credit of the Borough. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years if financed by the issuance of bonds.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2013</u>	<u>YEAR 2012</u>	<u>YEAR 2011</u>
Issued:			
General:			
Bonds, Loans and Notes	\$ 10,415,132.52	\$ 11,135,511.25	\$ 11,908,852.38
Water Utility:			
Bonds and Notes	39,300.00	50,850.00	62,400.00
Sewer Utility:			
Bonds and Notes	2,902,000.00	2,917,000.00	2,927,000.00
	<u>13,356,432.52</u>	<u>14,103,361.25</u>	<u>14,898,252.38</u>
Less: Funds Temporarily held to pay			
Bond and Notes - General Capital	472,233.63	307,816.20	341,008.73
	<u>12,884,198.89</u>	<u>13,795,545.05</u>	<u>14,557,243.65</u>
<u>Net Debt Issued</u>			
Authorized But Not Issued:			
General - Bonds and Notes	3,300,000.52	3,300,000.52	3,385,177.08
Water Utility - Bonds and Notes	119,251.74	119,251.74	119,251.74
	<u>3,419,252.26</u>	<u>3,419,252.26</u>	<u>3,504,428.82</u>
<u>Total Authorized But Not Issued</u>			
	<u>3,419,252.26</u>	<u>3,419,252.26</u>	<u>3,504,428.82</u>
 NET BONDS AND NOTES ISSUED AND AUTHORIZED BUT NOT ISSUED	 \$ <u>16,303,451.15</u>	 \$ <u>17,214,797.31</u>	 \$ <u>18,061,672.47</u>

SUMMARY OF STATUTORY DEBT CONDITION
(ANNUAL DEBT STATEMENT)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 3.603% as of December 31, 2013.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Regional School District Debt	\$ 125,437.67	\$ 125,437.67	
Local District School Debt	4,955,000.00	4,955,000.00	
Water Utility Debt	158,551.74	158,551.74	
Sewer Utility Debt	2,902,000.00	2,902,000.00	
General Debt	13,715,133.04	472,233.63	\$ 13,242,899.41
	<u>21,856,122.45</u>	<u>8,613,223.04</u>	<u>13,242,899.41</u>
	<u>\$ 21,856,122.45</u>	<u>\$ 8,613,223.04</u>	<u>\$ 13,242,899.41</u>

NET DEBT \$13,242,899.41 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, AS AMENDED, \$367,580,960 EQUALS 3.603%.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

BORROWING POWER UNDER N.J.S.40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2013	\$ <u>367,580,960.00</u>
3-1/2% of Equalized Valuation Basis	\$ 12,865,333.60
Net Debt	<u>13,242,899.41</u>
Remaining (Deficit) Borrowing Power	\$ <u>(377,565.81)</u>

*Equalized Valuation basis is the average of the equalized valuation of Real Estate, including improvements, and the assessed valuation of Class II Railroad Property of the Borough for the last three (3) preceding years.

SCHOOL DEBT DEDUCTION

School debt is deductible up to the extent of 3% of the Average Equalized Assessed Valuation of real property for the Regional and Local School District.

CALCULATION OF "SELF-LIQUIDATING PURPOSE"- WATER UTILITY PER N.J.S. 40A:2-45 AT DECEMBER 31, 2013

Cash Receipts from Fees, Rents of Other Charges for Year and Anticipated Surplus	\$349,465.12
Deduction:	
Operating and Maintenance Cost	\$306,422.13
Debt Service Per Water Utility Account	<u>12,964.00</u>
	<u>319,386.13</u>
Excess in Revenue	<u>\$30,078.99</u>

CALCULATION OF "SELF-LIQUIDATING PURPOSE"- SEWER UTILITY PER N.J.S.A. 40A:2-45 AT DECEMBER 31, 2013

Cash Receipts from Fees, Rents of Other Charges for Year and Anticipated Surplus	\$883,344.06
Deduction:	
Operating and Maintenance Cost	\$724,296.56
Debt Service Per Sewer Utility Account	<u>145,000.00</u>
	<u>869,296.56</u>
Excess in Revenue	<u>\$14,047.50</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

CALCULATION OF "SELF-LIQUIDATING PURPOSE"- SOLID WASTE UTILITY PER N.J.S. 40A 2-45 AT DECEMBER 31, 2013

Cash Receipts from Fees, Rents of Other Charges for Year and Anticipated Surplus		\$373,403.70
Deduction:		
Operating and Maintenance Cost	\$321,382.34	
Debt Service Per Solid Waste Utility Account	<u>0.00</u>	
		<u>321,382.34</u>
Excess in Revenue		<u><u>\$52,021.36</u></u>

Long-Term Debt

General Capital Fund

General Serial Bonds:

\$1,104,000.00 of 2006 General Improvement Refunding Bonds due in annual installments of \$10,000.00 to \$100,000.00 through December 2022 at interest rates of 3.375 to 5.00%.	\$	781,500.00
\$4,156,000.00 of 2006 Golf Course Utility Refunding Bonds due in annual installments of \$40,000.00 to \$369,000.00 through December 2022 at interest rates of 3.375% to 5.00%.		2,868,500.00
\$4,863,000.00 of 2010 General Improvement Bonds due in annual installments of \$20,000.00 to \$369,000.00 through February 2040 at interest rates of 2.00% to 5.00%.		<u>4,823,000.00</u>
	\$	<u><u>8,473,000.00</u></u>

Sewer Utility Capital Fund

General Serial Bonds:

\$2,937,000.00 of 2010 General Improvement Refunding Bonds due in annual installments of \$10,000.00 to \$250,000.00 through February 2040 at variable interest rates.	\$	<u><u>2,902,000.00</u></u>
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NOTE 3: MUNICIPAL DEBT (CONTINUED)

Long-Term Debt (Continued)

General Capital Fund (Continued)

General Capital Fund

Green Acres Loans:

\$1,049,148.12 of 2007 Loan due in semiannual installments of principal and interest of \$43,145.63 through June 2021 at an interest rate of 2%. \$ 598,216.35

\$187,500.00 of 2002 Loan due in semiannual installments of principal and interest of \$5,829.67 through December 2021 at an interest rate of 2%. 85,800.40

\$ 684,016.75

Infrastructure Loans:

\$245,000 of 2007 Trust Loan due in annual installments of principal of \$10,000.00 to \$20,000.00 through August 2027 at interest rates of 3.5% to 5.0%. \$ 195,000.00

\$681,941.00 of 2007 Fund Loan due in semiannual installments of principal only through August 2027 ranging from \$16,156.64 to \$39,295.82, interest free 484,937.77

\$ 679,937.77

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
General Capital	1.240%	6/25/2014	\$ <u><u>578,178.00</u></u>
Water Utility Capital	1.240%	6/25/2014	\$ <u><u>39,300.00</u></u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

Bonds and Notes Authorized But Not Issued

At December 31, 2013 the Borough has authorized but not issued bonds and notes as follows:

General Capital Fund	\$ <u>3,300,000.52</u>
Water Utility Capital Fund	\$ <u>119,251.74</u>
Sewer Utility Capital Fund	\$ <u>-0-</u>
Solid Waste Utility Capital Fund	\$ <u>-0-</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING DECEMBER 31, 2013

Calendar Year	<u>General Capital</u>		<u>Sewer Utility Capital</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2014	\$ 390,000.00	\$ 377,913.78	\$ 15,000.00	\$ 129,536.26	\$ 912,450.04
2015	385,000.00	358,763.78	20,000.00	129,186.26	892,950.04
2016	420,000.00	339,353.78	20,000.00	128,746.26	908,100.04
2017	420,000.00	320,063.76	20,000.00	128,236.26	888,300.02
2018	420,000.00	303,608.76	20,000.00	127,666.26	871,275.02
2019	435,000.00	287,168.13	25,000.00	126,975.63	874,143.76
2020	450,000.00	269,877.50	25,000.00	126,085.00	870,962.50
2021	440,000.00	251,877.50	30,000.00	124,835.00	846,712.50
2022	485,000.00	234,077.50	30,000.00	123,335.00	872,412.50
2023	70,000.00	213,227.50	30,000.00	121,835.00	435,062.50
2024	20,000.00	210,977.50	30,000.00	120,245.00	381,222.50
2025	270,000.00	203,727.50	30,000.00	118,835.00	622,562.50
2026	220,000.00	191,477.50	80,000.00	116,085.00	607,562.50
2027	215,000.00	180,602.50	85,000.00	111,960.00	592,562.50
2028	265,000.00	168,602.50	85,000.00	107,710.00	626,312.50
2029	340,000.00	153,477.50	85,000.00	103,460.00	681,937.50
2030	335,000.00	136,602.50	90,000.00	99,085.00	660,687.50
2031	260,000.00	122,702.50	190,000.00	92,797.50	665,500.00
2032	285,000.00	111,050.00	190,000.00	84,675.00	670,725.00
2033	275,000.00	98,941.25	200,000.00	76,240.00	650,181.25
2034	325,000.00	85,810.00	200,000.00	67,490.00	678,300.00
2035	325,000.00	71,347.50	200,000.00	58,590.00	654,937.50
2036	325,000.00	56,722.50	225,000.00	49,027.50	655,750.00
2037	375,000.00	40,972.50	225,000.00	38,902.50	679,875.00
2038	350,000.00	24,660.00	250,000.00	28,215.00	652,875.00
2039	350,000.00	8,910.00	250,000.00	16,965.00	625,875.00
2040	23,000.00	517.50	252,000.00	5,670.00	281,187.50
Total	\$ <u>8,473,000.00</u>	\$ <u>4,823,033.24</u>	\$ <u>2,902,000.00</u>	\$ <u>2,562,389.43</u>	\$ <u>18,760,422.67</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL
AND INTEREST AS OF DECEMBER 31, 2013

GREEN TRUST LOANS

CALENDAR YEAR	<u>LAKE SOLITUDE</u>		<u>SPRINGSIDE</u>		<u>TOTAL</u>
	<u>LOAN PRINCIPAL</u>	<u>LOAN INTEREST</u>	<u>LOAN PRINCIPAL</u>	<u>LOAN INTEREST</u>	
2014	\$ 74,698.56	\$ 11,592.69	\$ 9,993.06	\$ 1,666.29	\$ 97,950.60
2015	76,200.00	10,091.25	10,193.92	1,465.43	97,950.60
2016	77,731.62	8,559.63	10,398.82	1,260.53	97,950.60
2017	79,294.02	6,997.22	10,607.83	1,051.52	97,950.59
2018	80,887.83	5,403.41	10,821.05	838.30	97,950.59
2019	82,513.68	3,777.57	11,038.55	620.80	97,950.60
2020	84,172.21	2,119.05	11,260.42	398.92	97,950.60
2021	<u>42,718.43</u>	<u>427.19</u>	<u>11,486.75</u>	<u>172.60</u>	<u>54,804.97</u>
	<u>\$ 598,216.35</u>	<u>\$ 48,968.01</u>	<u>\$ 85,800.40</u>	<u>\$ 7,474.39</u>	<u>\$ 740,459.15</u>

ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS

CALENDAR YEAR	<u>TRUST LOAN</u>		<u>FUND LOAN</u>	<u>TOTAL</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	
2014	\$ 10,000.00	\$ 8,797.50	\$ 33,961.53	\$ 52,759.03
2015	10,000.00	8,437.50	33,311.11	51,748.61
2016	10,000.00	7,937.50	32,407.77	50,345.27
2017	10,000.00	7,437.50	31,504.41	48,941.91
2018	10,000.00	6,937.50	30,601.05	47,538.55
2019	15,000.00	6,437.50	38,731.23	60,168.73
2020	15,000.00	5,837.50	37,647.21	58,484.71
2021	15,000.00	5,237.50	36,563.18	56,800.68
2022	15,000.00	4,487.50	35,208.15	54,695.65
2023	15,000.00	3,737.50	33,853.13	52,590.63
2024	15,000.00	3,100.00	32,701.35	50,801.35
2025	15,000.00	2,425.00	31,481.82	48,906.82
2026	20,000.00	1,750.00	39,295.82	61,045.82
2027	<u>20,000.00</u>	<u>850.00</u>	<u>37,670.01</u>	<u>58,520.01</u>
	<u>\$ 195,000.00</u>	<u>\$ 73,410.00</u>	<u>\$ 484,937.77</u>	<u>\$ 753,347.77</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2013 which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2014 were as follows:

Current Fund	\$422,000.00
Sewer Operating Fund	100,000.00
Water Operating Fund	23,620.00
Solid Waste Operating Fund	160,000.00

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Borough bills and collects its own property taxes and also taxes for the County and local school district. The collections and remittance of county and school taxes are accounted for in the Current Fund. Borough property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund.

Taxes collected in advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER <u>31, 2013</u>	BALANCE DECEMBER <u>31, 2012</u>
Prepaid Taxes	<u>\$44,907.16</u>	<u>\$30,128.74</u>

NOTE 6: PENSION PLANS

Borough employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees Retirement System (PERS), the Police and Firemen's Retirement System (PFRS) and the Defined Contribution Retirement Plan (DCRP). The PERS and the PFRS are cost-sharing multiple employer defined benefit plans. The DCRP is a defined contribution plan. The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the costs are contributed by the employees. The Borough's share of pension costs, which is based upon the annual billings received from the State, amounted to \$215,106.00 for 2013, \$182,440.00 for 2012, and \$181,733.00 for 2011.

NOTE 6: PENSION PLANS (CONTINUED)

Information as to the comparison of the actuarially computed value of vested benefits with the system's assets is not available from the State Retirement System and, therefore, is not presented.

NOTE 7: COMPENSATED ABSENCES

Under the existing policy of the Borough, employees hired prior to December 31, 2001 are allowed to accumulate unused sick pay over the life of their working careers, up to a maximum of twenty-one days, which may be paid at a later date. The accumulated cost of such unpaid compensation is not required to be accrued in the financial statements as presented. The Borough has estimated the liability at \$63,900.73, \$59,115.65 and \$67,834.80 as of December 31, 2013, 2012 and 2011, respectively. The Borough annually appropriates the amounts that are required to be paid in each year's budget on a cash basis.

NOTE 8: LITIGATION

The Borough Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Borough's insurance carrier or would have a material financial impact on the Borough as of December 31, 2013.

NOTE 9: TAX APPEALS

There are tax appeals filed with the County and State Tax Court of New Jersey requesting a reduction of assessments for the year 2013. Any reduction in assessed valuation will result in a refund of prior years' taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51

NOTE 10: CONTINGENT LIABILITIES

The Borough participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in detail in Part II of the 2013 audit report. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2013, the Borough does not believe that any material liabilities will result from such audits.

NOTE 11: RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Borough of High Bridge is a member of the Statewide Excess Liability Fund. This is an insured group of municipalities established for the purpose of providing low-cost insurance coverage for member municipalities in order to keep local property taxes at a minimum. The fund is an insurance purchasing pool in which the participants seek to lower insurance costs through their combined joint purchasing power. Each participant receives their own insurance policies. Risk transfers through the pool to the insurance company from which the policies are purchased. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State. The following table is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's expendable trust fund for the 2013 and the previous two years:

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2013	\$ 299.97	\$ 1,950.22	\$ 2,395.05	\$ 117,332.91
2012	296.16	1,922.61		117,477.77
2011	311.75	1,952.78		115,259.00

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets at December 31, 2013:

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>
Current Fund	\$ 5,673.77	\$ 23,572.20
Grant Fund	23,572.20	
Animal Control Trust Fund		23.06
Trust Funds	4,851.25	5,650.71
General Capital Fund		4,851.25
	<u>\$ 34,097.22</u>	<u>\$ 34,097.22</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and the payment between the funds was made.

NOTE 13: LENGTH OF SERVICE AWARDS PROGRAM

During 2001, the Borough of High Bridge adopted an ordinance establishing a Length of Service Awards Program for the members of the volunteer Fire Department and Emergency Squad pursuant to N.J.S.A. 40A:14-183 *et seq.*

Under this program, each volunteer of the volunteer Fire Department and Emergency Squad will have an annual amount of \$700.00 deposited into a tax deferred income account that will earn interest for the volunteer. The estimated annual cost of this program is \$24,500.00.

The accompanying financial statements do not include the Borough's Length of Service Awards Program's activities. The Borough's Length of Service Awards Program's financial statements are contained in a separate review report, as required by state regulation.

NOTE 14: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2013, the following deferred charges are shown on the balance sheets of the various funds:

	BALANCE DECEMBER <u>31, 2013</u>	2014 BUDGET APPROPRIATION	DEFERRED TO BUDGETS OF <u>SUCCEEDING YEARS</u>
<u>Current Fund:</u>			
Special Emergency Authorization 40A:4-55	<u>\$28,798.00</u>	<u>\$8,798.00</u>	<u>\$20,000.00</u>

NOTE 15: POST-EMPLOYMENT BENEFITS (GASB 45)

The Borough does not provide other post-employment benefits to its retirees. Therefore, there is no liability reported under the requirements of GASB Statement No. 45 or LFN 2009-13 and LFN 2007-15 issued by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

NOTE 16: DEFERRED SCHOOL TAXES

New Jersey statutes provide for the deferral of liability for not more than 50% of the annual levy when school taxes are raised on a school year basis and such taxes have not been requisitioned by the school district.

LOCAL DISTRICT SCHOOL TAX

	BALANCE DECEMBER <u>31, 2013</u>	BALANCE DECEMBER <u>31, 2012</u>
Balance of Tax	\$2,695,782.40	\$2,695,782.40
Deferred	<u>1,838,110.00</u>	<u>1,838,110.00</u>
School Tax Payable	<u><u>\$857,672.40</u></u>	<u><u>\$857,672.40</u></u>

BOROUGH OF HIGH BRIDGE
SUPPLEMENTARY SCHEDULES – ALL FUNDS
YEAR ENDED DECEMBER 31, 2013

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF CASH-TREASURER

<u>REF.</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2012	A \$ 3,065,025.27	\$
Increased by Receipts:		
Collector	A-5 \$ 12,229,991.59	\$
State of New Jersey-Chapter 20, P.L. 1971	A-8 27,500.00	
Revenue Accounts Receivable	A-9 1,967,104.38	
Miscellaneous Revenue Not Anticipated	A-2 131,517.57	
Petty Cash Funds	A-11 250.00	
Interfunds Received	A-10 270,366.27	
Reserve for Grants - Unappropriated	A-19 325,000.00	
Reserve for Miscellaneous Deposits	A-21 55,606.87	
Grants Receivable	A-27	268,223.03
Due Current Fund	A-24	28,573.97
	<u>15,007,336.68</u>	<u>296,797.00</u>
	\$ <u>18,072,361.95</u>	\$ <u>296,797.00</u>
Decreased by Disbursements:		
2013 Appropriations	A-3 \$ 5,319,969.90	\$
2012 Appropriation Reserves	A-13 70,538.94	
Encumbrances Payable	A-20 5,475.00	
County Taxes	A-14 1,293,238.65	
Local District School Tax	A-15 5,467,998.00	
Regional High School Tax	A-16 2,139,333.47	
Tax Overpayments	A-18 4,236.48	
Interfunds Payable	A-10 31,798.01	
Petty Cash Fund	A-11 250.00	
Accounts Payable	A-26 3,630.00	
Reserve for Grants Appropriated	A-25	28,573.97
Due Current Fund	A-24	268,223.03
Reserve for Miscellaneous Deposits	A-21 238,745.46	
Refund of Current Year Revenue	A-2 90.00	
Refund of Prior Year Revenues	A-1 1,670.00	
	<u>14,576,973.91</u>	<u>296,797.00</u>
Balance, December 31, 2013	A \$ <u><u>3,495,388.04</u></u>	

BOROUGH OF HIGH BRIDGE
CURRENT FUND
SCHEDULE OF CASH-COLLECTOR

	<u>REF.</u>		
Balance, December 31, 2012	A	\$	207,484.43
Received:			
Revenue Accounts Receivable	A-9	\$	39,509.30
Taxes Receivable	A-7		11,898,939.21
Miscellaneous Revenue	A-2		1,895.42
2014 Taxes Prepaid	A-17		44,907.16
Tax Overpayments	A-18		5,019.11
Reserve for Outside Liens	A-21		<u>180,322.19</u>
			12,170,592.39
		\$	<u>12,378,076.82</u>
Decreased by Disbursements:			
Payments to Treasurer	A-4		<u>12,229,991.59</u>
Balance, December 31, 2013	A	\$	<u><u>148,085.23</u></u>

BOROUGH OF HIGH BRIDGE
CURRENT FUND
SCHEDULE OF CHANGE FUNDS

<u>OFFICE</u>	BALANCE DECEMBER <u>31, 2013</u>	BALANCE DECEMBER <u>31, 2012</u>
Police	\$ 20.00	\$ 20.00
Clerk	50.00	50.00
Collector	<u>50.00</u>	<u>50.00</u>
	\$ <u>120.00</u>	\$ <u>120.00</u>
<u>REF.</u>	A	A

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE	2013 LEVY	ADDED TAXES	COLLECTED		TRANSFER TO TAX TITLE LIENS	REMITTED AND CANCELED	BALANCE DECEMBER 31, 2013
	DECEMBER 31, 2012			IN 2012	IN 2013			
2012	\$ 173,334.23		\$ 1,218.45	\$ 174,505.03	\$ 174,505.03	\$ 47.65	\$ 47.65	
2013		12,102,413.98		30,128.74	11,751,512.26	1,312.98	105,837.25	213,622.75
	<u>\$ 173,334.23</u>	<u>\$ 12,102,413.98</u>	<u>\$ 1,218.45</u>	<u>\$ 30,128.74</u>	<u>\$ 11,926,017.29</u>	<u>\$ 1,360.63</u>	<u>\$ 105,884.90</u>	<u>\$ 213,622.75</u>
REF.	A			A-2:A-17	A-2	A-12		A
Collector	A-5			\$ 11,898,939.21				
State of New Jersey	A-8			<u>27,078.08</u>				
				<u>\$ 11,926,017.29</u>				

ANALYSIS OF 2013 PROPERTY TAX LEVY

TAX YIELD

General Purpose Tax	\$ 12,102,413.98
Added Taxes (54.4-63.1 et seq.)	
	<u>\$ 12,102,413.98</u>

TAX LEVY

Regional High School Tax (Abstract)	A-16	\$ 2,269,070.00
Regional School Tax (Abstract)	A-15	5,467,998.00
County Taxes:		
County Tax (Abstract)	A-14	<u>\$ 1,293,149.21</u>
Total County Taxes		1,293,149.21
Local Tax for Municipal Purposes (Abstract)	A-2	\$ 3,068,828.30
Add: Additional Tax Levied		<u>3,368.47</u>
		<u>3,072,196.77</u>
		<u>\$ 12,102,413.98</u>

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY
PER CHAPTER 20,P.L. 1971

	<u>REF.</u>		
Balance, December 31, 2012 (Due To)	A	\$	(2,089.17)
Increased by:			
Deductions Per Tax Duplicate:			
Senior Citizens		\$	5,000.00
Veterans			22,000.00
Allowed by Tax Collector:			
Senior Citizens and Veterans			<u>750.00</u>
			<u>27,750.00</u>
		\$	<u>25,660.83</u>
Decreased by:			
Received From State of New Jersey	A-4	\$	27,500.00
Senior Citizens Deductions Disallowed by Tax Collector			<u>671.92</u>
			<u>28,171.92</u>
Balance, December 31, 2013 (Due To)	A	\$	<u><u>(2,511.09)</u></u>

SUMMARY OF 2013 EXEMPTIONS

Senior Citizens and Veterans Exemptions Per Tax Billings		\$	27,000.00
Senior Citizens and Veterans Exemptions Allowed by Tax Collector			<u>750.00</u>
			<u>27,750.00</u>
Disallowed by Collector:			
2013 Taxes			<u>671.92</u>
	A-7	\$	<u><u>27,078.08</u></u>

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>REF.</u>	<u>ACCRUED IN 2013</u>	<u>COLLECTED BY</u>	
			<u>COLLECTOR</u>	<u>TREASURER</u>
Clerk:				
Alcoholic Beverage Licenses	A-2	\$ 5,400.00	\$	5,400.00
Licenses-Other	A-2	1,005.00		1,005.00
Construction Code Official:				
Fees and Permits	A-2	40,175.00		40,175.00
Municipal Court:				
Fines and Costs	A-2	13,852.86		13,852.86
Interest on Investment	A-2	11,366.96		11,366.96
Golf Fees	A-2	1,215,166.37		1,215,166.37
Consolidated Municipal Property Tax Relief Act	A-2	54,321.00		54,321.00
Energy Receipts Tax	A-2	237,587.80		237,587.80
Reserve for Vehicle Replacement Insurance	A-2	5,922.50		5,922.50
Golf Course Open Space	A-2	37,000.00		37,000.00
Hunterdon County Open Space	A-2	11,599.20		11,599.20
Cable Franchise Fee	A-2	11,122.19		11,122.19
Recreation Fees	A-2	22,585.50		22,585.50
Reserve for Debt Service	A-2	300,000.00		300,000.00
Interest and Costs on Taxes	A-2	39,509.30	39,509.30	
		\$ <u>2,006,613.68</u>	\$ <u>39,509.30</u>	\$ <u>1,967,104.38</u>
	<u>REF.</u>		A-5	A-4

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>GRANT FUND</u>	<u>ANIMAL CONTROL FUND</u>	<u>TRUST OTHER FUND</u>
Balance, December 31, 2012:					
Due From	A	\$ 4,592.97	\$	13.12	\$ 4,579.85
Due To	A	<u>14,887.14</u>	<u>14,887.14</u>	<u> </u>	<u> </u>
Receipts - Treasurer	A-4	270,366.27	268,223.03		2,143.24
Disbursements	A-4	31,798.01	28,573.97	9.94	3,214.10
Local Share	A-24	<u>230,964.00</u>	<u>230,964.00</u>	<u> </u>	<u> </u>
Balance, December 31, 2013:					
Due From	A	\$ 5,673.77	\$	23.06	\$ 5,650.71
Due To	A	<u><u>23,572.20</u></u>	<u><u>23,572.20</u></u>	<u><u> </u></u>	<u><u> </u></u>

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF PETTY CASH

<u>DEPARTMENT</u>	<u>RECEIVED</u>	<u>RETURNED</u>
Finance	\$ 200.00	\$ 200.00
Police	50.00	50.00
	<u>250.00</u>	<u>250.00</u>
	\$ <u>250.00</u>	\$ <u>250.00</u>
<u>REF.</u>	A-4	A-4

BOROUGH OF HIGH BRIDGE
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2012	A	\$	3,667.85
Increased by:			
Interest and Costs on Tax Sale			19.22
Transfer from Taxes Receivable	A-7		<u>1,360.63</u>
		\$	<u>1,379.85</u>
			<u>5,047.70</u>
Decreased by:			
Canceled			<u>16.00</u>
Balance, December 31, 2013	A	\$	<u><u>5,031.70</u></u>

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2012	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>				
Administrative and Executive	\$ 293.78	\$ 293.78		\$ 293.78
Municipal Clerk	1,747.50	1,747.50		1,747.50
Financial Administration	1,133.83	1,133.83		1,133.83
Assessment of Taxes	0.86	0.86		0.86
Collection of Taxes	1,131.35	1,131.35		1,131.35
Planning Board	100.00			
Zoning Costs	0.16	0.16		0.16
Recreation Services	0.50	0.50		0.50
Police	7,640.83	7,640.83		7,640.83
Construction Code Enforcement	2,654.05	2,654.05		2,654.05
Streets and Road Maintenance	15,956.74	13,056.74		13,056.74
Expenses of Participation in Free County Library	1,294.06	1,294.06		1,294.06
Building Inspector	0.08	0.08		0.08
<u>OTHER EXPENSES</u>				
Administrative and Executive:				
Internet	259.59	687.51	457.77	229.74
Miscellaneous Other Expenses	10.00	110.00		110.00
Mayor and Council:				
Advertising Costs	158.60	2,211.83	222.70	1,989.13
Newsletter	389.56	6,289.56	6,253.82	35.74
Miscellaneous	642.50	642.50		642.50
Municipal Clerk:				
Other Expenses	704.06	1,089.97	57.00	1,032.97
Election Expenses	1,326.63	1,326.63		1,326.63
Financial Administration	771.83	1,905.64	50.00	1,855.64
Audit Services		1,035.00		1,035.00
Assessment of Taxes	1,215.14	1,559.59		1,559.59
Collection of Taxes	671.94	940.60		940.60
Legal Services and Costs	2,350.00	12,777.04	3,848.00	8,929.04
Engineering Services and Costs	5,554.22	7,518.77	951.25	6,567.52
Public Buildings and Grounds:				
Maintenance and Repairs	835.28	4,788.39	650.00	4,138.39
Other Expenses - Office Supplies	176.39	2,931.73	304.75	2,626.98
Planning Board	6.40	1,806.40	1,757.25	49.15
Economic Development	128.75	128.75		128.75
Environmental Commission (N.J.S.A. 40:56A-1), et seq.:	360.00	360.00		360.00
Police:				
Lease of Police Car	70.24	70.24		70.24
Miscellaneous Other Expenses	1,965.47	11,259.90	4,461.42	6,798.48
Emergency Management Services	155.94	946.41	80.02	866.39
Street and Road Maintenance	3,468.53	26,736.92	7,282.95	19,453.97
Board of Health	4.80	4.80		4.80
Recreation Program:				
Special Events	518.59	679.59	160.00	519.59
Miscellaneous Other Expenses	48.37	78.69		78.69
Golf Course	12,265.85	108,145.91	22,668.84	85,477.07
Expenses of Participation in Free County Library	4.00	55.76		55.76
Construction Code Enforcement	112.10	112.10		112.10

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2012	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Electricity	\$ 8,531.51	\$ 11,202.77	\$ 2,654.50	\$ 8,548.27
Street Lighting	2,879.46	6,194.80	3,311.18	2,883.62
Telephone	934.11	4,581.49	2,688.92	1,892.57
Water	245.02	245.02		245.02
Fuel Oil	4,269.78	16,290.23	7,260.15	9,030.08
Gasoline	508.75	5,681.30	3,235.92	2,445.38
Social Security System (O.A.S.I.)	2,096.35	2,096.35		2,096.35
Insurance (NJSA 40A:4-45.3(00)):				
Other Insurance Premiums	229.00	1,229.00	82.50	1,146.50
Workers' Compensation	774.00	774.00		774.00
Employee Group Health	3,234.71	3,234.71		3,234.71
Length of Service Award Program	4,900.00	9,800.00	2,100.00	7,700.00
Police and Fire Retirement System Contribution	100.00	100.00		100.00
Public Employees Retirement System Contribution	0.42	0.42		0.42
Affordable Housing Appropriation	2,500.00	5,000.00		5,000.00
North Hunterdon Municipal Court	192.40	192.40		192.40
	<u>\$ 97,524.03</u>	<u>\$ 291,776.46</u>	<u>\$ 70,538.94</u>	<u>\$ 221,237.52</u>
<u>REF.</u>	A			A-1
Balance, December 31, 2012	A	\$ 97,524.03		
Encumbrances Payable	A-20	194,252.43		
Cash Disbursements	A-4		70,538.94	
		<u>\$ 291,776.46</u>	<u>\$ 70,538.94</u>	

BOROUGH OF HIGH BRIDGE
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2012	A	\$	89.50
2013 Tax Levy:			
County Taxes	A-1:A-7		<u>1,293,149.21</u>
		\$	<u>1,293,238.71</u>
Decreased by:			
Cash Disbursements	A-4		<u>1,293,238.65</u>
Balance, December 31, 2013	A	\$	<u><u>0.06</u></u>

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

	<u>REF.</u>		
Balance, December 31, 2012:			
School Tax Deferred		\$ 1,838,110.00	
School Tax Payable	A	<u>857,672.40</u>	
			\$ 2,695,782.40
Increased by:			
Levy	A-7		<u>5,467,998.00</u>
			\$ 8,163,780.40
Decreased by:			
Cash Disbursements	A-4		<u>5,467,998.00</u>
Balance, December 31, 2013:			
School Tax Deferred		\$ 1,838,110.00	
School Tax Payable	A	<u>857,672.40</u>	
			\$ <u>2,695,782.40</u>
2013 Liability for Local District School Tax:			
Tax Paid	A-4		\$ 5,467,998.00
Tax Payable, December 31, 2013	A-15		<u>857,672.40</u>
			6,325,670.40
Less:			
Prepaid Tax, December 31, 2012	A-15		<u>857,672.40</u>
	A-1		\$ <u>5,467,998.00</u>

BOROUGH OF HIGH BRIDGE
CURRENT FUND
SCHEDULE OF REGIONAL HIGH SCHOOL TAX

	<u>REF.</u>		
Balance, December 31, 2012:			
School Tax Deferred		\$	
School Tax Payable	A	<u>348,960.31</u>	
		\$	348,960.31
Increased by:			
Levy	A-7		<u>2,269,070.00</u>
		\$	<u>2,618,030.31</u>
Decreased by:			
Cash Disbursements	A-4		<u>2,139,333.47</u>
Balance, December 31, 2013:			
School Tax Deferred		\$	
School Tax Payable	A	<u>478,696.84</u>	
		\$	<u><u>478,696.84</u></u>
2013 Liability for Local District School Tax:			
Tax Paid	A-4	\$	2,139,333.47
Tax Payable, December 31, 2013	A-16		<u>478,696.84</u>
			<u>2,618,030.31</u>
Less:			
Tax Payable, December 31, 2012	A-16		<u>348,960.31</u>
	A-1	\$	<u><u>2,269,070.00</u></u>

"A-17"

BOROUGH OF HIGH BRIDGE
CURRENT FUND
SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, December 31, 2012 (2013 Taxes)	A	\$	30,128.74
Increased by:			
Collection of 2014 Taxes	A-5		44,907.16
		\$	<u>75,035.90</u>
Decreased by:			
Application to 2013 Taxes Receivable	A-7		<u>30,128.74</u>
Balance, December 31, 2013 (2014 Taxes)	A	\$	<u><u>44,907.16</u></u>

"A-18"

SCHEDULE OF TAX OVERPAYMENTS

Increased by:			
Cash Receipts	A-5	\$	5,019.11
Decreased by:			
Cash Disbursements	A-4		<u>4,236.48</u>
Balance, December 31, 2013	A	\$	<u><u>782.63</u></u>

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

<u>GRANT</u>	BALANCE DECEMBER 31, 2012	CASH RECEIPTS	APPLIED TO REVENUE	BALANCE DECEMBER 31, 2013
Garden State Trust	\$ 12,931.00	\$	\$ 12,931.00	\$
Green Acres Grant	<u>501,442.00</u>	<u>325,000.00</u>	<u>151,691.00</u>	<u>674,751.00</u>
	\$ <u>514,373.00</u>	\$ <u>325,000.00</u>	\$ <u>164,622.00</u>	\$ <u>674,751.00</u>
<u>REF.</u>	A	A-4	A-2	A

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2012	A		\$ 208,032.73
Increased by:			
Charged to 2013 Appropriations	A-3	\$ 306,933.20	
Charged to Miscellaneous Deposits	A-21	<u>860.00</u>	
			\$ <u>307,793.20</u>
Decreased by:			
Transfer to Appropriation Reserves	A-13	\$ 194,252.43	
Transferred to Miscellaneous Deposits	A-21	8,305.30	
Cash Disbursements	A-4	<u>5,475.00</u>	
			<u>208,032.73</u>
Balance, December 31, 2013	A		\$ <u><u>307,793.20</u></u>

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS DEPOSITS

<u>GRANT/PROGRAM</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>	<u>ENCUMBRANCES PAYABLE</u>	<u>BALANCE DECEMBER 31, 2013</u>
Marriage License Due State	\$ 50.00	\$ 225.00	\$ 250.00	\$	\$ 25.00
Health Benefits	13,629.80	37,584.87	37,310.47		13,904.20
Insurance Claims	17,906.80		5,922.50		11,984.30
Outside Liens		180,322.19	180,322.19		
State Training Fees	533.00	2,634.00	2,451.00		716.00
Police Outside Overtime	685.13	9,333.00	9,209.30		808.83
GIS Fees	221.00	3,630.00	3,180.00	460.00	211.00
County Food Inspections	<u>2,025.00</u>	<u>2,200.00</u>	<u>100.00</u>	<u>400.00</u>	<u>3,725.00</u>
	<u>\$ 35,050.73</u>	<u>\$ 235,929.06</u>	<u>\$ 238,745.46</u>	<u>\$ 860.00</u>	<u>\$ 31,374.33</u>
<u>REF.</u>			A-4	A-20	A
Balance, December 31, 2012	A \$ 26,745.43				
Encumbrances Payable	A-20 <u>8,305.30</u>				
	<u>\$ 35,050.73</u>				
Cash Receipts Treasurer	A-4 \$ 55,606.87				
Cash Receipts Collector	A-5 <u>180,322.19</u>				
		<u>\$ 235,929.06</u>			

"A-22"

BOROUGH OF HIGH BRIDGE
CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES

	<u>REF.</u>		
Balance, December 31, 2012	A	\$	243,600.00
Decreased by:			
Adjustment to Assessed Valuation			<u>67,600.00</u>
Balance, December 31, 2013	A	\$	<u><u>176,000.00</u></u>

"A-23"

SCHEDULE OF GRANT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES PAYABLE

Balance, December 31, 2012	A	\$	62,342.94
Increased by:			
Charges to Grants Appropriated	A-25		<u>142,208.50</u>
		\$	<u>204,551.44</u>
Decreased by:			
Transfer to Grants Appropriated	A-25		<u>62,342.94</u>
Balance, December 31, 2013	A	\$	<u><u>142,208.50</u></u>

BOROUGH OF HIGH BRIDGE
GRANT FUND
SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>		
Balance, December 31, 2012 (Due From)	A	\$	14,887.14
Increased by:			
Cash Disbursements	A-4		<u>268,223.03</u>
		\$	283,110.17
Decreased by:			
Cash Receipts	A-4	\$	28,573.97
Local Share	A-10		<u>230,964.00</u>
			<u>259,537.97</u>
Balance, December 31, 2013 (Due From)	A	\$	<u><u>23,572.20</u></u>

BOROUGH OF HIGH BRIDGE

GRANT FUND

SCHEDULE OF GRANTS FUND
APPROPRIATED RESERVES

<u>GRANT</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u>	<u>TRANSFERRED FROM</u> <u>2013 BUDGET</u> <u>APPROPRIATION</u>	<u>EXPENDED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
Historic Preservation Grant and Match	\$	\$ 1,250.00	\$ 1,250.00	
Historic Preservation Grant and Match	685.31		685.31	
Hazardous Discharge Site Remediation Fund	10,039.46		1,500.00	8,539.46
Hazardous Discharge Site Remediation Fund	16,894.42		1,574.57	15,319.85
Gazebo Repairs		293.12	293.12	
Body Armor Replacement Fund - 2012	3,261.34	1,299.16		4,560.50
Historic Block Grant		900.00	748.99	151.01
Recycling Tonnage Grant - 2012	3,131.36	3,723.13	2,430.00	4,424.49
NJ Highlands and Water Protection Program:				
Plan Conformance Grant - 2010	73,721.63	101,100.00	156,551.98	18,269.65
Women's Club		250.00	250.00	
Clean Communities Program	5,140.01	8,231.37	4,929.11	8,442.27
Drunk Driving Enforcement Fund	4,073.94	3,000.00	569.39	6,504.55
	<u>\$ 116,947.47</u>	<u>\$ 120,046.78</u>	<u>\$ 170,782.47</u>	<u>\$ 66,211.78</u>
	<u>REF.</u>	A-3		A
Balance, December 31, 2011	A \$ 54,604.53			
Encumbrances Payable	A-23 <u>62,342.94</u>			
	<u>\$ 116,947.47</u>			
Encumbrances Payable	A -23 \$ 142,208.50			
Cash Disbursements	A-4 <u>28,573.97</u>			
			<u>\$ 170,782.47</u>	

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2012	A	\$	3,630.00
Decreased by:			
Cash Disbursements	A-4	\$	<u>3,630.00</u>

BOROUGH OF HIGH BRIDGE

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

<u>GRANT</u>	BALANCE DECEMBER 31, 2012	2013 REVENUE ANTICIPATED	CASH RECEIPTS	BALANCE DECEMBER 31, 2013
Body Armor Replacement Fund	\$	\$ 1,299.16	\$ 1,299.16	\$
Drunk Driving Enforcement Fund		3,000.00	3,000.00	
Historic Preservation	10,000.00		10,000.00	
Clean Communities Program		8,231.37	8,231.37	
Hazardous Discharge Grant	8,406.00		8,406.00	
NJ Highlands and Water Protection Program: Plan Conformance Grant-2012	53,354.33	101,100.00		154,454.33
Recycling Tonnage Grant		3,723.13	3,723.13	
Historic Society		625.00	531.25	93.75
Women's Club		250.00	250.00	
Historic Block Grant		900.00	900.00	
Gazebo Repairs		293.12	293.12	
Hunterdon County Grant		231,589.00	231,589.00	
Sustainable Development Plan	30,300.00			30,300.00
	<u>\$ 102,060.33</u>	<u>\$ 351,010.78</u>	<u>\$ 268,223.03</u>	<u>\$ 184,848.08</u>
<u>REF.</u>	A	A-2	A-4	A

BOROUGH OF HIGH BRIDGE

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES
N.J.S.A. 40A:4-55 SPECIAL EMERGENCY

<u>DATE</u> <u>AUTHORIZED</u>	<u>PURPOSE</u>	<u>NET</u> <u>AMOUNT</u> <u>AUTHORIZED</u>	<u>1/5 OF</u> <u>NET AMOUNT</u> <u>AUTHORIZED</u>	<u>ADDED IN</u> <u>2013</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
05-19-13	Codification of Ordinances	\$ 3,798.00	\$ 759.60	\$ 3,798.00	\$ 3,798.00
08-15-13	Preparation of Tax Map	25,000.00	5,000.00	<u>25,000.00</u>	<u>25,000.00</u>
				\$ <u>28,798.00</u>	\$ <u>28,798.00</u>
			<u>REF.</u>	A-3	A

BOROUGH OF HIGH BRIDGE

TRUST FUND

SCHEDULE OF CASH-TREASURER

	<u>REF.</u>	<u>ANIMAL CONTROL</u>	<u>TRUST OTHER</u>
Balance, December 31, 2012	B	\$ 5,029.90	\$ 262,250.77
Increased by Receipts:			
Dog License Fees	B-2	\$ 3,096.10	
Due from State of New Jersey	B-3	424.20	
Various Reserves and Deposits	B-5		\$ 1,837,582.31
Due Current Fund	B-6	<u>9.94</u>	<u>1,070.86</u>
		<u>3,530.24</u>	<u>1,838,653.17</u>
		<u>8,560.14</u>	<u>2,100,903.94</u>
Decreased by Disbursements:			
Expenditures under R.S.4:19-15.11	B-2	2,796.20	
Due from State of New Jersey	B-3	425.40	
Encumbrances Payable	B	1,800.60	
Due General Capital Fund	B-7		920.42
Various Reserves and Deposits	B-5	<u> </u>	<u>1,829,064.64</u>
		<u>5,022.20</u>	<u>1,829,985.06</u>
Balance, December 31, 2013	B	\$ <u><u>3,537.94</u></u>	\$ <u><u>270,918.88</u></u>

"B-2"

BOROUGH OF HIGH BRIDGE

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2012	B	\$	3,079.98
Increased by:			
Dog License Fees Collected	B-1		<u>3,096.10</u>
			6,176.08
Decreased by:			
Expenditures Under R.S.4:19-15.11:			
Cash Disbursements	B-1	\$	2,796.20
Encumbrances Payable	B		<u>70.01</u>
			<u>2,866.21</u>
Balance, December 31, 2013	B	\$	<u><u>3,309.87</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>		<u>AMOUNT</u>
2011	\$	1,800.60
2012		<u>3,140.00</u>
	\$	<u><u>4,940.60</u></u>

"B-3"

SCHEDULE OF DUE STATE OF NEW JERSEY -
ANIMAL CONTROL FUND

Balance, December 31, 2012	B	\$	136.20
Increased by:			
Cash Receipts	B-1		<u>424.20</u>
		\$	<u>560.40</u>
Decreased by:			
Cash Disbursements	B-1		<u>425.40</u>
Balance, December 31, 2013	B	\$	<u><u>135.00</u></u>

BOROUGH OF HIGH BRIDGE

TRUST FUND

SCHEDULE OF REHABILITATION LOANS RECEIVABLE

	<u>REF.</u>	
Balance, December 31, 2012	B	\$ <u>4,390.00</u>
Balance, December 31, 2013	B	\$ <u>4,390.00</u>

BOROUGH OF HIGH BRIDGE

TRUST FUND

SCHEDULE OF VARIOUS RESERVES AND DEPOSITS

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>EXPENDED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
Engineering Fees	\$ 12,335.22	\$ 5,228.92	\$ 6,059.95	\$ 11,504.19
Open Space Acquisition	3,930.83			3,930.83
Unemployment Compensation	117,477.77	2,250.19	2,395.05	117,332.91
Small Cities - CDBG	53,173.60	134.93		53,308.53
Tax Sale Premiums	65,800.00	64,400.00	55,300.00	74,900.00
Rehabilitation Loan Receivable	4,390.00			4,390.00
Public Events	8,884.33	21,329.52	25,491.94	4,721.91
Payroll Agency		1,744,238.75	1,742,873.91	1,364.84
	<u>\$ 265,991.75</u>	<u>\$ 1,837,582.31</u>	<u>\$ 1,832,120.85</u>	<u>\$ 271,453.21</u>
<u>REF.</u>		B-1		B
Cash Disbursements	B-1 \$		\$ 1,829,064.64	
Balance, December 31, 2012	B 263,043.69			
Encumbrances Payable	B <u>2,948.06</u>		<u>3,056.21</u>	
	<u>\$ 265,991.75</u>		<u>\$ 1,832,120.85</u>	

"B-6"

BOROUGH OF HIGH BRIDGE
TRUST FUND
SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	<u>TOTAL</u>	<u>ANIMAL CONTROL FUND</u>	<u>TRUST OTHER FUND</u>
Balance, December 31, 2012: Due to	B	\$ <u>1,194.39</u>	\$ <u>13.12</u>	\$ <u>4,579.85</u>
Increased by: Cash Receipts	B-1	<u>1,080.80</u>	<u>9.94</u>	<u>1,070.86</u>
Balance, December 31, 2013: Due to	B	\$ <u><u>5,673.77</u></u>	\$ <u><u>23.06</u></u>	\$ <u><u>5,650.71</u></u>

"B-7"

SCHEDULE OF DUE GENERAL CAPITAL FUND

	<u>REF.</u>	<u>TOTAL</u>	<u>TRUST OTHER FUND</u>
Balance, December 31, 2012: Due from	B	\$ 3,930.83	\$ 3,930.83
Decreased by: Cash Disbursements	B-1	<u>920.42</u>	<u>920.42</u>
Balance, December 31, 2013: Due from	B	\$ <u><u>4,851.25</u></u>	\$ <u><u>4,851.25</u></u>

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2012	C		\$ 1,349,451.32
Increased by Receipts:			
Budget Appropriation:			
Capital Improvement Fund	C-8	\$ 259,000.00	
Refund of Improvement Authorizations	C-7	3,702.72	
Grants Receivable	C-10	58,750.00	
Due Current Fund	C-9	2,829.08	
Due Open Space Trust		920.42	
Various Reserves and Deposits	C-15	885,185.77	
Bond Anticipation Notes	C-13	<u>578,178.00</u>	
			<u>1,788,565.99</u>
			\$ <u>3,138,017.31</u>
Decreased by Disbursements:			
Contracts Payable	C-6	\$ 138,079.15	
Bond Anticipation Notes	C-13	578,178.00	
Various Reserves and Deposits	C-15	531,589.00	
Due Current Fund	C-9	<u>2,829.08</u>	
			<u>1,250,675.23</u>
Balance, December 31, 2013	C:C-3		\$ <u><u>1,887,342.08</u></u>

"C-3"

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

ANALYSIS OF CASH

	BALANCE DECEMBER 31, 2013
Capital Improvement Fund	\$ 29,896.08
Fund Balance	246,341.38
Contracts Payable	276,204.51
Improvement Authorizations:	
Funded Improvements Listed on "C-7"	1,021,889.47
Improvements Expended Set Forth on "C-5"	(3,108,782.15)
Various Reserves and Deposits	4,011,941.54
Due Trust Fund	4,851.25
Grants Receivable	<u>(595,000.00)</u>
	<u>\$ 1,887,342.08</u>

REF.

C:C-2

"C-4"

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance, December 31, 2012	C	\$ 10,364,571.25
Decreased by:		
2013 Budget Appropriation to Pay:		
Bond Principal	C-12	\$ 400,000.00
Green Trust Loan Principal	C-11	83,022.86
Environmental Infrastructure Loan Principal	C-14	<u>44,593.87</u>
		<u>527,616.73</u>
Balance, December 31, 2013	C	<u>\$ 9,836,954.52</u>

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

<u>ORDINANCE NUMBER</u>		<u>BALANCE DECEMBER 31, 2013</u>	<u>ANALYSIS OF BALANCE DECEMBER 31, 2013</u>		<u>UNEXPENDED BALANCE</u>
			<u>BOND ANTICIPATION NOTES</u>	<u>EXPENDITURES</u>	
	General Improvements:				
2004-28	Purchase of Emergency Generator	\$ 5,700.00	\$ 5,700.00	\$	\$
2005-22	Acquisition of Pumper Truck	30,593.00	30,593.00		
2006-30	Streetscape Grant - Phase I	0.52		0.52	
2004-27	Well Application Permit - Golf	4,085.00	4,085.00		
2005-16	Acquisition of Golf Equipment	22,800.00	22,800.00		
2007-14	Construction of Public Works Building	186,000.00	186,000.00		
2007-17	Improvements to Jericho Road	96,000.00	96,000.00		
2007-20	Acquisition of Fire Pumper	152,000.00	152,000.00		
2008-11	River Road Improvements	45,000.00	45,000.00		
2008-10; 2008-25	Mine Road Improvements	36,000.00	36,000.00		
2008-26	Dam Remediation	3,300,000.00		3,108,781.63	191,218.37
		<u>\$ 3,878,178.52</u>	<u>\$ 578,178.00</u>	<u>\$ 3,108,782.15</u>	<u>\$ 191,218.37</u>
	<u>REF.</u>	C	C-13	C-3	C-7

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2012	C	\$ 80,075.85
Increased by:		
Contracts Issued	C-7	<u>334,207.81</u>
		\$ <u>414,283.66</u>
Decreased by:		
Cash Disbursements	C-2	<u>138,079.15</u>
Balance, December 31, 2013	C	\$ <u><u>276,204.51</u></u>

BOROUGH OF HIGH BRIDGE
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORD NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2012		2013 AUTHORIZATIONS	PAID OR CHARGED	CANCELED	BALANCE DECEMBER 31, 2013	
		DATE	AMOUNT	FUNDED	UNFUNDED				FUNDED	UNFUNDED
1999-05	Lake Solitude Dam Project	05/13/99	\$ 1,800,000.00	\$	\$	\$	\$ (1,497.71)	\$ 1,497.71	\$	\$
2002-19	Lake Solitude Dam Project	07/25/02	164,600.00		14,870.89		(111.93)	111.93	14,870.89	
2006-30	Streetscape - Phase I	08/24/06	241,000.00				(72.70)	72.70		
2007-17	Various Improvements to Jericho Road	05/10/07	520,000.00				(1,248.24)	1,248.24		
2007-19	Various Improvements to Mill & McDonald	05/10/07	63,000.00	46,629.17					46,629.17	
2007-20	Purchase of Fire Pumper	05/10/07	425,000.00				(2,863.56)	2,863.56		
2008-26	Lake Solitude Dam Remediation	10/23/08	3,600,000.00		194,503.16		3,284.79			191,218.37
2010-15	Road Improvements	10/15/2010	10,000.00	1,848.42			1,669.70	178.72		
2011-09	Solitude House - Heating System Repairs	04/14/11	15,000.00				(383.50)	383.50		
2011-10/2011-25	Cregar Road Improvements	9/8/2011	375,000.00	11,793.45			(0.35)	11,793.80		
2012-05	Construction of ADA Compliant Borough Hall	03/08/12	475,000.00	442,750.00			8,000.00		434,750.00	
2012-10	Rescue ATV with Medical Bed	05/10/12	15,000.00	99.58				99.58		
2012-11	Various Improvements to Fire Department	05/10/12	20,000.00	59.28			(30.00)	89.28		
2012-12	New Fencing on Baseball Backstops	08/16/12	7,500.00	7,500.00			6,675.00	825.00		
2012-14	Solitude Annex House Roof	08/16/12	20,000.00	20,000.00			19,180.00	820.00		
2012-16	Improvements on Cokesbury Road	09/13/12	10,000.00	10,000.00				10,000.00		
2012-17	Golf Course and Well Decommissioning	10/11/12	80,000.00	37,767.00			4,500.00		33,267.00	
2013-06	Replace Dugout Fencing Union Forge Park	03/14/13	14,000.00			14,000.00	9,776.00	4,224.00		
2013-07	Road Improvements - Cregar Road	03/28/13	400,000.00			400,000.00	90,400.00		309,600.00	
2013-16	Streetscape - Phase II	07/18/13	215,000.00			215,000.00	42,000.00		173,000.00	
2013-17	Purchase/Install Emergency Generator	09/12/13	50,000.00			50,000.00	49,829.49		170.51	
2013-18	Purchase/Install Fuel Tanks	08/15/13	111,000.00			111,000.00	101,398.10		9,601.90	
				\$ 578,446.90	\$ 209,374.05	\$ 790,000.00	\$ 330,505.09	\$ 34,208.02	\$ 1,021,889.47	\$ 191,218.37
<u>REF</u>				C	C				C-C-3	C-C-5
Grants Receivable		C-10				\$ 345,000.00	\$			
Capital Improvement Fund		C-8				395,000.00		28,030.38		
Capital Surplus		C-1				50,000.00		6,177.64		
Contracts Payable		C-6					334,207.81			
Refunds		C-2					3,702.72			
						\$ 790,000.00	\$ 330,505.09	\$ 34,208.02		

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2012	C		\$ 137,865.70
Increased by:			
2013 Budget Appropriation	C-2	\$ 259,000.00	
Cancellation of Improvement Authorizations	C-7	<u>28,030.38</u>	
			<u>287,030.38</u>
			\$ 424,896.08
Decreased by:			
Appropriation to Finance Improvement Authorizations	C-7		<u>395,000.00</u>
Balance, December 31, 2013	C		\$ <u><u>29,896.08</u></u>

"C-9"

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF DUE CURRENT FUND

REF.

Increased by:		
Cash Disbursements	C-2	\$ 2,829.08
Decreased by:		
Cash Receipts	C-2	\$ <u>2,829.08</u>

"C-10"

SCHEDULE OF GRANTS RECEIVABLE

Balance, December 31, 2012	C	\$ 308,750.00
Increased by:		
Grants Awarded- Funded Projects	C-7	345,000.00
		\$ <u>653,750.00</u>
Decreased by:		
Cash Receipts	C-2	<u>58,750.00</u>
Balance, December 31, 2013	C	\$ <u>595,000.00</u>

ANALYSIS OF BALANCE

Department of Housing and Urban Development - Ord 2012-05	\$ 245,000.00
Hunterdon County Open Space - Ord 2012-14	5,000.00
New Jersey Department of Transportation - Ord. 2013-07	130,000.00
New Jersey Department of Transportation - Ord. 2013-16	<u>215,000.00</u>
	\$ <u>595,000.00</u>

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES TRUST LOANS PAYABLE

<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>OUTSTANDING DECEMBER 31, 2013</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2013</u>
			<u>DATE</u>	<u>AMOUNT</u>				
Lake Solitude Acquisition	03/08/2007	\$ 1,049,148.12	2014	\$ 74,698.56	2.000%	\$ 671,443.05	\$ 73,226.70	\$ 598,216.35
			2015	76,200.00				
			2016	77,731.62				
			2017	79,294.02				
			2018	80,887.83				
			2019	82,513.68				
			2020	84,172.21				
			2021	42,718.43				
Springside Woodlands	03/21/2002	187,500.00	2014	9,993.06	2.000%	<u>95,596.56</u>	<u>9,796.16</u>	<u>85,800.40</u>
			2015	10,193.92				
			2016	10,398.82				
			2017	10,607.83				
			2018	10,821.05				
			2019	11,038.55				
			2020	11,260.42				
			2021	11,486.75				
						<u>\$ 767,039.61</u>	<u>\$ 83,022.86</u>	<u>\$ 684,016.75</u>
<u>REF.</u>	C					C-4	C	

BOROUGH OF HIGH BRIDGE
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2012	DECREASED	BALANCE DECEMBER 31, 2013
			DATE	AMOUNT				
General Improvement Refunding Bonds	02/08/06	\$ 1,104,000.00	12/01/14	\$ 76,500.00	5.000%	\$ 860,000.00	\$ 78,500.00	\$ 781,500.00
			12/01/15	76,000.00	5.000%			
			12/01/16	78,500.00	4.750%			
			12/01/17	85,500.00	4.000%			
			12/01/18	85,000.00	4.000%			
			12/01/19	85,000.00	4.000%			
			12/01/20	100,000.00	4.000%			
			12/01/21	99,500.00	4.000%			
			12/01/22	95,500.00	4.000%			
			Golf Course Utility Refunding Bonds	02/08/06	4,156,000.00			
12/01/15	304,000.00	5.000%						
12/01/16	311,500.00	4.750%						
12/01/17	304,500.00	4.000%						
12/01/18	305,000.00	4.000%						
12/01/19	325,000.00	4.000%						
12/01/20	325,000.00	4.000%						
12/01/21	320,500.00	4.000%						
12/01/22	369,500.00	4.000%						

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2012	INCREASED	DECREASED	BALANCE DECEMBER 31, 2013
2002-19	Lake Solitude Dam Project	08/03/03	07/19/12	07/19/13	1.50%	\$ 15,580.00	\$	\$ 15,580.00	\$
2003-06	Cokesbury Road Improvements	08/03/03	07/19/12	07/19/13	1.50%	10,882.00		10,882.00	
2003-13	Solitude Village Roads	08/03/03	07/19/12	07/19/13	1.50%	5,700.00		5,700.00	
2003-12	Construction of Salt Barn	08/03/03	07/19/12	07/19/13	1.50%	5,290.00		5,290.00	
2004-28	Purchase of Emergency Generator	07/25/05	07/19/12 07/02/13	07/19/13 06/25/14	1.50% 1.24%	11,400.00	5,700.00	11,400.00	5,700.00
2005-20	Various Capital Improvements	07/25/05	07/19/12	07/19/13	1.50%	4,160.00		4,160.00	
2005-22	Acquisition of Pumper Truck	07/25/05	07/19/12 07/02/13	07/19/13 06/25/14	1.50% 1.24%	45,893.00	30,593.00	45,893.00	30,593.00
2004-27	Purchase of Equipment	07/25/05	07/19/12 07/02/13	07/19/13 06/25/14	1.50% 1.24%	8,835.00	4,085.00	8,835.00	4,085.00
2005-16	Purchase of Equipment	07/25/05	07/19/12 07/02/13	07/19/13 06/25/14	1.50% 1.24%	34,200.00	22,800.00	34,200.00	22,800.00
2007-20	Acquisition of Fire Pumper	07/26/07	07/19/12 07/02/13	07/19/13 06/25/14	1.50% 1.24%	190,000.00	152,000.00	190,000.00	152,000.00
2007-17	Improvements to Jericho Road	12/20/07	07/19/12 07/02/13	07/19/13 06/25/14	1.50% 1.24%	120,000.00	96,000.00	120,000.00	96,000.00
2008-11	River Road Improvements	07/23/08	07/19/12 07/02/13	07/19/13 06/25/14	1.50% 1.24%	60,000.00	45,000.00	60,000.00	45,000.00
2007-14	Construction of Public Works Bldg	04/09/10	07/19/12 07/02/13	07/19/13 06/25/14	1.50% 1.24%	217,000.00	186,000.00	217,000.00	186,000.00
2008-11/25	Mine Hill Road Improvements	12/10/09	07/19/12 07/02/13	07/19/13 06/25/14	1.50% 1.24%	42,000.00	36,000.00	42,000.00	36,000.00
						<u>\$ 770,940.00</u>	<u>\$ 578,178.00</u>	<u>\$ 770,940.00</u>	<u>\$ 578,178.00</u>
					REF.	C	C-2		C:C-5
					Funded by Budget			\$ 192,762.00	
					Paid by Cash on Hand	C-2		578,178.00	
								<u>\$ 770,940.00</u>	

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF NEW JERSEY ENVIRONMENTAL TRUST LOANS PAYABLE

IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING DECEMBER 31, 2013		INTEREST RATE	BALANCE DECEMBER 31, 2012	DECREASED	BALANCE DECEMBER 31, 2013
			DATE	AMOUNT				
Trust Loan	11/08/2007	\$ 245,000.00	2014	\$ 10,000.00	3.500%	\$ 205,000.00	\$ 10,000.00	\$ 195,000.00
			2015	10,000.00				
			2016	10,000.00				
			2017	10,000.00				
			2018	10,000.00				
			2019	15,000.00				
			2020	15,000.00				
			2021	15,000.00				
			2022	15,000.00				
			2023	15,000.00				
			2024	15,000.00				
			2025	15,000.00				
			2026	20,000.00				
			2027	20,000.00				
Fund Loan	11/08/2007	681,941.00	2014	33,961.53				
			2015	33,311.11				
			2016	32,407.77				
			2017	31,504.41				
			2018	30,601.05				
			2019	38,731.23				
			2020	37,647.21				
			2021	36,563.18				
			2022	35,208.15				
			2023	33,853.13				
			2024	32,701.35				
			2025	31,481.82				
			2026	39,295.82				
			2027	37,670.01				
						<u>519,531.64</u>	<u>34,593.87</u>	<u>484,937.77</u>
						\$ <u>724,531.64</u>	\$ <u>44,593.87</u>	\$ <u>679,937.77</u>
REF.	C		C-4		C			

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF VARIOUS RESERVES AND DEPOSITS

	BALANCE DECEMBER 31, 2012	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE DECEMBER 31, 2013
Debt Service	\$ 307,816.20	\$ 464,417.43	\$ 300,000.00	\$ 472,233.63
Open Space	2,542.55			2,542.55
Grants Receivable	20,000.00			20,000.00
Hunterdon County Grant	430,162.00		231,589.00	198,573.00
Dam Project - N.J.E.I.T.	<u>2,897,824.02</u>	<u>420,768.34</u>	<u></u>	<u>3,318,592.36</u>
	\$ <u>3,658,344.77</u>	\$ <u>885,185.77</u>	\$ <u>531,589.00</u>	\$ <u>4,011,941.54</u>
<u>REF.</u>	C	C-2	C-2	C

BOROUGH OF HIGH BRIDGE

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2013</u>
2006-30	General Improvements: Streetscape Grant - Phase I	\$ 0.52
2008-26	Dam Remediation	<u>3,300,000.00</u>
		<u>\$ 3,300,000.52</u>

BOROUGH OF HIGH BRIDGE

WATER UTILITY FUND

SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2012	D	\$ 104,277.13	\$ 46,603.94
Increased by Receipts:			
Collector	D-6	\$ 290,525.60	\$ 99,355.25
Capital Improvement Fund	D-18		39,300.00
Bond Anticipation Notes	D-19		76,006.37
Interfunds	D-8:D-9	103,319.12	
Miscellaneous	D-3	2,489.90	
		<u>396,334.62</u>	<u>214,661.62</u>
		\$ <u>500,611.75</u>	\$ <u>261,265.56</u>
Decreased by Disbursements:			
2013 Appropriations	D-4	\$ 273,564.03	\$ 39,300.00
2012 Appropriation Reserves	D-10	9,974.12	
Bond Anticipation Notes	D-19		121,893.40
Contracts Payable	D-17		
Accrued Interest	D-12	762.75	
Interfunds	D-8:D-9	103,319.12	76,006.37
		<u>387,620.02</u>	<u>237,199.77</u>
Balance, December 31, 2013	D	\$ <u><u>112,991.73</u></u>	\$ <u><u>24,065.79</u></u>

BOROUGH OF HIGH BRIDGE
WATER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>	<u>OPERATING</u>
Increased by Receipts:		
Consumer Accounts Receivable	D-7	\$ 287,243.22
Interest on Delinquent Accounts	D-3	1,990.67
Miscellaneous	D-3	1,175.70
Interest on Investments	D-3	<u>116.01</u>
		290,525.60
		\$ <u>290,525.60</u>
Decreased by Disbursements:		
Payment to Treasurer:		
Water Operating Fund	D-5	\$ <u><u>290,525.60</u></u>

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance, December 31, 2012	D	\$ 19,804.02
Increased by:		
Water Rents Levied - Net		<u>287,676.66</u>
		\$ 307,480.68
Decreased by:		
Collection	D-3:D-6	<u>287,243.22</u>
Balance, December 31, 2013	D	\$ <u><u>20,237.46</u></u>

BOROUGH OF HIGH BRIDGE
WATER UTILITY OPERATING FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT FUND</u>	<u>WATER CAPITAL FUND</u>
Increased by:				
Cash Receipts	D-5	\$ <u>103,319.12</u>	\$ <u>27,312.75</u>	\$ <u>76,006.37</u>
Decreased by:				
Cash Disbursements	D-5	\$ <u>103,319.12</u>	\$ <u>27,312.75</u>	\$ <u>76,006.37</u>

BOROUGH OF HIGH BRIDGE
WATER UTILITY CAPITAL FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>WATER OPERATING FUND</u>
Increased by:			
Cash Receipts	D-5	\$ <u>76,006.37</u>	\$ <u>76,006.37</u>
Decreased by:			
Cash Disbursements	D-5	\$ <u><u>76,006.37</u></u>	\$ <u><u>76,006.37</u></u>

BOROUGH OF HIGH BRIDGE
WATER UTILITY OPERATING FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES

	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE AFTER TRANSFERS</u>	<u>PAID OR CHARGED</u>	<u>BALANCE LAPSED</u>
Operating:				
Salaries and Wages	\$ 3,872.99	\$ 3,872.99		\$ 3,872.99
Other Expenses	7,060.98	21,700.08	7,409.02	14,291.06
Capital Improvement:				
Capital Outlay	2,715.00	7,685.00	4,970.00	2,715.00
Statutory Expenditures:				
Contributions to:				
Social Security System (O.A.S.I.)	<u>296.40</u>	<u>296.40</u>		<u>296.40</u>
	<u>\$ 13,945.37</u>	<u>\$ 33,554.47</u>	<u>\$ 12,379.02</u>	<u>\$ 21,175.45</u>
	<u>REF.</u>	D		D-1
Balance December 31, 2013	D-10	\$ 13,945.37		
Encumbrances Payable	D-11	19,609.10	2,404.90	
Cash Disbursements	D-5		<u>9,974.12</u>	
		<u>\$ 33,554.47</u>	<u>\$ 12,379.02</u>	

"D-11"

BOROUGH OF HIGH BRIDGE
WATER UTILITY OPERATING FUND
SCHEDULE FOR ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2012	D	\$	19,609.10
Increased by:			
Charges to 2013 Appropriations	D-4	\$	35,250.00
Charges to 2012 Appropriation Reserves	D-10		<u>2,404.90</u>
			37,654.90
		\$	<u>57,264.00</u>
Decreased by:			
Transferred to Appropriation Reserves	D-10		<u>19,609.10</u>
Balance, December 31, 2013	D	\$	<u><u>37,654.90</u></u>

"D-12"

SCHEDULE OF ACCRUED INTEREST

Balance, December 31, 2012	D	\$	1,117.54
Increased by:			
Charges to Budget Appropriations	D-4		<u>1,414.00</u>
		\$	2,531.54
Decreased by:			
Cash Disbursements	D-5		<u>762.75</u>
Balance, December 31, 2013	D	\$	<u><u>1,768.79</u></u>

BOROUGH OF HIGH BRIDGE

WATER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORD.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORDINANCE</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>TO RESERVE FOR AMORTIZATION</u>	<u>CANCELED</u>	<u>FIXED CAPITAL AUTHORIZED</u>	<u>BALANCE DECEMBER 31, 2013</u>
General Improvements:							
2009-22	Various Water System Improvements	06/25/09	\$ 50,000.00	\$	\$	\$	50,000.00
2011-11	Cregar Road Improvements	05/12/11	85,000.00	76,475.85	8,524.15		
2011-27	Fire Hydrant Replacements	09/08/11	7,500.00	1,543.86	5,956.14		
2011-30	Washington Ave.- Water Main Improvements	12/15/11	50,000.00	48,767.51	1,232.49		
2012-13	Washington Ave.- Water Main Improvements	08/19/12	24,500.00	24,500.00			
2013-10	Washington Ave.- Water Main Improvements	04/25/13		12,000.00		12,000.00	
			\$ <u>217,000.00</u>	\$ <u>163,287.22</u>	\$ <u>15,712.78</u>	\$ <u>12,000.00</u>	\$ <u>50,000.00</u>
<u>REF.</u>			D	D-16	D-18	D-15	D

BOROUGH OF HIGH BRIDGE

WATER UTILITY OPERATING FUND

STATEMENT OF DEFERRED CHARGES

	BALANCE DECEMBER 31, 2012	FUNDS RAISED IN 2013 BUDGET
Operating Deficit	\$ 7,063.49	\$ 7,063.49
Emergency Authorization	<u>25,000.00</u>	<u>25,000.00</u>
	\$ <u>32,063.49</u>	\$ <u>32,063.49</u>
<u>REF.</u>	D	D-4

BOROUGH OF HIGH BRIDGE
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2012		2013 AUTHORIZATION	PAID OR CHARGED	CANCELED	BALANCE DECEMBER 31, 2013	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
<u>General Improvements:</u>										
2011-11	Cregar Road Improvements	05/12/11	85,000.00 \$	8,524.15 \$		\$	\$	8,524.15 \$		\$
2011-27	Fire Hydrant Replacements	09/08/11	7,500.00	5,000.00			(956.14)	5,956.14		
2011-30	Washington Avenue- Water Main Improvements	12/15/11	50,000.00		453.05		453.05			
2013-10	Washington Avenue- Water Main Improvements	04/25/13	12,000.00			12,000.00	10,767.51	1,232.49		
				<u>\$ 13,524.15</u>	<u>\$ 453.05</u>	<u>\$ 12,000.00</u>	<u>\$ 10,264.42</u>	<u>\$ 15,712.78</u>	<u>\$</u>	<u>\$</u>
<u>REF.</u>				D	D		D-17	D-2:D-18	D	D
Capital Improvement Fund			D-18:D-21			<u>\$ 12,000.00</u>				

"D-16"

BOROUGH OF HIGH BRIDGE
WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2012	D	\$	3,271,673.95
Increased by:			
Bond Anticipation Notes Paid by Budget	D-19	\$	11,550.00
Transferred from Deferred Reserve for Amortization	D-13		<u>163,287.22</u>
			<u>174,837.22</u>
Balance, December 31, 2013	D	\$	<u><u>3,446,511.17</u></u>

"D-17"

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

Balance, December 31, 2012	D	\$	121,488.98
Increased by:			
Charges to Improvement Authorizations	D-15		<u>10,264.42</u>
		\$	<u>131,753.40</u>
Decreased by:			
Cash Disbursements	D-5		<u>121,893.40</u>
Balance, December 31, 2013	D	\$	<u><u>9,860.00</u></u>

BOROUGH OF HIGH BRIDGE
WATER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2012	D	\$	25,668.33
Increased by:			
2013 Budget Appropriation	D-5	\$	35,000.00
Cash Receipts	D-5		64,355.25
Ordinances Canceled	D-15		<u>14,480.29</u>
			113,835.54
		\$	<u>139,503.87</u>
Decreased by:			
Appropriation to Finance Improvement Authorizations	D-15		<u>12,000.00</u>
Balance, December 31, 2013	D	\$	<u><u>127,503.87</u></u>

BOROUGH OF HIGH BRIDGE
WATER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ISSUE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>		<u>BALANCE DECEMBER 31, 2012</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2013</u>
2003-09	Seal Street Improvements	08/03/03	07/19/12	07/18/13	1.50%	\$	5,000.00	\$	5,000.00	\$
2010-22	Various Water Improvements	12/18/09	07/19/12	07/18/13	1.50%		45,850.00		45,850.00	
2012-13	Washington Avenue Water Main Improvements	12/18/09	07/02/13	06/25/14	1.24%			39,300.00		39,300.00
						\$	<u>50,850.00</u>	\$	<u>39,300.00</u>	\$
						<u>REF.</u>	D	D-5		D
									\$	39,300.00
										<u>11,550.00</u>
									\$	<u>50,850.00</u>

Cash Disbursements
Notes Paid by Budget

D-5
D-16

BOROUGH OF HIGH BRIDGE
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u>	<u>INCREASED</u> <u>BY</u> <u>ORDINANCE</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
Water Plant - Original Costs	\$ 15,000.00		\$ 15,000.00
Source of Supply - Land	534.00		534.00
Storage Reservoir - Land	3,550.97		3,550.97
Miscellaneous Land Capital	475.38		475.38
Springs and Wells	23,918.16		23,918.16
Intake and Supply Mains	794.47		794.47
Chemical Treatment Plants	5,734.97		5,734.97
Pumping Station Structures	881.32		881.32
Power Pumping Equipment	9,906.18		9,906.18
Chlorination Equipment	7,983.37		7,983.37
Hydraulic Power Pumping Equipment	264.60		264.60
Electric Power Pumping Equipment	21,005.16		21,005.16
Storage Reservoir	16,210.39		16,210.39
Distribution Mains and Accessories	299,137.90		299,137.90
Service Pipes and Stops	7,870.82		7,870.82
Meters, Meter Boxes and Vaults	134,018.17		134,018.17
Fire Hydrants	10,277.84		10,277.84
General Equipment	6,981.75		6,981.75
Engineering	417.00		417.00
Air Compressor	7,305.20		7,305.20
Improvements to Water System	1,344,966.93		1,344,966.93
Water Tower	325,000.00		325,000.00
Wells	200,000.00		200,000.00
Water Pump	5,379.00		5,379.00
Water Tank	97,500.00		97,500.00
Bunnvale Well System	206,610.87		206,610.87
Backhoe	20,000.00		20,000.00
Generator	70,000.00		70,000.00
Fencing at Well	25,712.00		25,712.00
Cokesbury Main Extension	129,677.83		129,677.83
Water Main Improvements	32,406.19		32,406.19
Improvements to Water Tank Overflow	10,000.00		10,000.00
West Main Street Improvements	165,000.00		165,000.00
Improvements to Water Utility	20,000.00		20,000.00
Purchase of Utility Truck	44,255.22		44,255.22
Water Improvements	50,000.00		50,000.00
Purchase of Dump Truck	50,000.00		50,000.00
Various Water Systems Improvements	7,500.00		7,500.00
Cregar Road Improvements (Ord. 2011-11)		76,475.85	76,475.85
Fire Hydrant Replacement (Ord. 2011-27)		1,543.86	1,543.86
Washington Avenue Water Main (Ord. 2011-30,2012-12 and 2013-10)		150,767.51	150,767.51
	<u>\$ 3,376,275.69</u>	<u>\$ 228,787.22</u>	<u>\$ 3,605,062.91</u>
<u>REF.</u>	D	D-21	D

BOROUGH OF HIGH BRIDGE

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2012	NEW AUTHORIZATIONS	TRANSFER TO FIXED CAPITAL	CANCELED	BALANCE DECEMBER 31, 2013
General Improvements:								
2009-22	Various Water Improvements	06/25/09	\$ 50,000.00	\$ 50,000.00	\$	\$	\$	\$ 50,000.00
2011-11	Cregar Road Improvements	05/12/11	85,000.00	85,000.00		76,475.85	8,524.15	
2011-27	Fire Hydrant Replacements	09/08/11	7,500.00	7,500.00		1,543.86	5,956.14	
2011-30	Washington Avenue- Water Main Improvements	12/15/11	50,000.00	50,000.00		48,767.51	1,232.49	
2012-13	Washington Avenue- Water Main Improvements	08/19/12	90,000.00	90,000.00		90,000.00		
2013-10	Washington Avenue- Water Main Improvements	04/25/13	12,000.00		12,000.00	12,000.00		
				<u>\$ 282,500.00</u>	<u>\$ 12,000.00</u>	<u>\$ 228,787.22</u>	<u>\$ 15,712.78</u>	<u>\$ 50,000.00</u>
			<u>REF.</u>	D	D-15	D-20	D-15	D

BOROUGH OF HIGH BRIDGE

WATER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>		<u>BALANCE DECEMBER 31, 2013</u>
2003	Water System Improvements	\$	58,000.00
2008-22	Various Improvements		<u>61,251.74</u>
		\$	<u><u>119,251.74</u></u>

BOROUGH OF HIGH BRIDGE

SEWER UTILITY FUND

SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2012	E	\$ 900,261.83	\$ 254,812.29
Increased by Receipts:			
Collector	E-6	\$ 761,277.99	\$
Interfunds	E-8:E-9	640.95	640.95
Miscellaneous	E-3	<u>2,769.51</u>	
		764,688.45	<u>640.95</u>
		\$ <u>1,664,950.28</u>	\$ <u>255,453.24</u>
Decreased by Disbursements:			
2013 Appropriations	E-4	\$ 447,425.83	\$
2012 Appropriation Reserves	E-10	108,056.61	
Accrued Interest	E-20	129,836.25	
Interfunds	E-8:E-9	<u>640.95</u>	<u>640.95</u>
		<u>685,959.64</u>	<u>640.95</u>
Balance, December 31, 2013	E	\$ <u><u>978,990.64</u></u>	\$ <u><u>254,812.29</u></u>

"E-6"

BOROUGH OF HIGH BRIDGE
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>	<u>OPERATING</u>
Increased by Receipts:		
Consumer Accounts Receivable	E-7	\$ 755,969.51
Interest on Delinquent Accounts	E-3	5,192.52
Interest on Investments	E-3	<u>115.96</u>
		<u>761,277.99</u>
Decreased by Disbursements:		
Payment to Treasurer: Sewer Operating Fund	E-5	\$ <u><u>761,277.99</u></u>

"E-7"

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance, December 31, 2012	E	\$ 49,085.45
Increased by:		
Sewer Rents Levied - Net		<u>772,187.92</u>
		\$ <u>821,273.37</u>
Decreased by:		
Collection	E-3:E-6	<u>755,969.51</u>
Balance, December 31, 2013	E	\$ <u><u>65,303.86</u></u>

BOROUGH OF HIGH BRIDGE
SEWER UTILITY OPERATING FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>SEWER CAPITAL FUND</u>
Increased by:			
Cash Receipts	E-5	\$ <u>640.95</u>	\$ <u>640.95</u>
Decreased by:			
Cash Disbursements	E-5	\$ <u><u>640.95</u></u>	\$ <u><u>640.95</u></u>

BOROUGH OF HIGH BRIDGE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>SEWER OPERATING FUND</u>
Increased by:			
Cash Receipts	E-5	\$ <u>640.95</u>	\$ <u>640.95</u>
Decreased by:			
Cash Disbursements	E-5	\$ <u><u>640.95</u></u>	\$ <u><u>640.95</u></u>

BOROUGH OF HIGH BRIDGE
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>	<u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>
Operating:				
Salaries and Wages	\$ 6,204.35	\$ 6,204.35		\$ 6,204.35
Other Expenses	126,363.03	271,769.27	108,056.61	163,712.66
Statutory Expenditures:				
Contributions to:				
Social Security System (O.A.S.I.)	<u>264.76</u>	<u>264.76</u>		<u>264.76</u>
	<u>\$ 132,832.14</u>	<u>\$ 278,238.38</u>	<u>\$ 108,056.61</u>	<u>\$ 170,181.77</u>
	<u>REF.</u>			
	E		E-5	E-1
Balance December 31, 2013	E	\$ 132,832.14		
Encumbrances Payable	E-11	<u>145,406.24</u>		
		<u>\$ 278,238.38</u>		

BOROUGH OF HIGH BRIDGE
SEWER UTILITY OPERATING FUND
SCHEDULE FOR ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2012	E	\$	145,406.24
Increased by:			
Charges to 2013 Appropriations	E-4		110,543.35
		\$	<u>255,949.59</u>
Decreased by:			
Transferred to Appropriation Reserves	E-10		<u>145,406.24</u>
Balance, December 31, 2013	E	\$	<u><u>110,543.35</u></u>

BOROUGH OF HIGH BRIDGE

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORD.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORDINANCE</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>FIXED CAPITAL AUTHORIZED</u>	<u>BALANCE DECEMBER 31, 2013</u>
General Improvements:					
2007-24	Sewer Maps	08/09/07	\$ 7,000.00	\$	7,000.00
2012-15	Replacement of Sewer Pumps	07/19/12	50,000.00		50,000.00
2013-08	Infiltration Study and Improvements	03/28/13		60,000.00	60,000.00
			\$ 57,000.00	\$ 60,000.00	\$ 117,000.00
<u>REF.</u>			E	E-15	E

"E-13"

BOROUGH OF HIGH BRIDGE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2012	E	\$	193,817.63
Decreased by:			
Appropriation to Finance Improvement Authorizations	E-15		<u>60,000.00</u>
Balance, December 31, 2013	E	\$	<u><u>133,817.63</u></u>

"E-14"

SCHEDULE OF DOWN PAYMENT ON CAPITAL IMPROVEMENTS

Balance, December 31, 2012	E	\$	2,500.00
Balance, December 31, 2013	E	\$	<u><u>2,500.00</u></u>

BOROUGH OF HIGH BRIDGE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE		BALANCE DECEMBER 31, 2012		2013 AUTHORIZATION	PAID OR CHARGED	BALANCE DECEMBER 31, 2013	
			AMOUNT		FUNDED	UNFUNDED			FUNDED	UNFUNDED
<u>General Improvements:</u>										
2007-24	Sewer Maps	08/09/07	\$ 7,000.00	\$	7,000.00	\$	\$	\$	7,000.00	\$
2012-15	Replacement of Sewer Pumps	07/19/12	50,000.00		45,000.00			34,225.00	10,775.00	
2013-08	Infiltration Study and Improvements	03/28/13	60,000.00				60,000.00	6,600.00	53,400.00	
			\$ 52,000.00	\$		\$	60,000.00	40,825.00	71,175.00	\$
		<u>REF.</u>			E		E-19	E-21	E	E

BOROUGH OF HIGH BRIDGE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2012	E	\$	2,452,481.34
Increased by:			
Serial Bonds Payable	E-17		<u>15,000.00</u>
Balance, December 31, 2013	E	\$	<u><u>2,467,481.34</u></u>

BOROUGH OF HIGH BRIDGE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF LOANS OUTSTANDING DECEMBER 31, 2013</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2013</u>
			<u>DATE</u>	<u>AMOUNT</u>				
Sewer Utility Bonds	2/24/10	\$ 2,937,000.00	2/15/14	\$ 15,000.00	2.00%	\$ 2,917,000.00	\$ 15,000.00	\$ 2,902,000.00
			2/15/15	20,000.00	2.00%			
			2/15/16	20,000.00	2.40%			
			2/15/17	20,000.00	2.70%			
			2/15/18	20,000.00	3.00%			
			2/15/19	25,000.00	3.13%			
			2/15/20	25,000.00	4.00%			
			2/15/21-25	30,000.00	5.00%			
			2/15/26	80,000.00	5.00%			
			2/15/27-29	85,000.00	5.00%			
			2/15/30	90,000.00	5.00%			
			2/15/31	190,000.00	4.25%			
			2/15/32	190,000.00	4.30%			
			2/15/33	200,000.00	4.35%			
			2/15/34	200,000.00	4.40%			
			2/15/35	200,000.00	4.50%			
			2/15/36-37	225,000.00	4.50%			
			2/15/38-39	250,000.00	4.50%			
			2/15/40	252,000.00	4.50%			
						<u>\$ 2,917,000.00</u>	<u>\$ 15,000.00</u>	<u>\$ 2,902,000.00</u>
<u>REF.</u>						E	E-16	E

BOROUGH OF HIGH BRIDGE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	BALANCE DECEMBER 31, 2013	BALANCE DECEMBER 31, 2012
Sanitary Sewerage System	\$ 1,231,917.78	\$ 1,231,917.78
Auxiliary Sewer Pump	35,960.00	35,960.00
Upgrade Sewer Pumping System	583,300.00	583,300.00
Backhoe	20,000.00	20,000.00
Dump Truck	30,245.09	30,245.09
Mains	130,565.97	130,565.97
Improvements to Drainage on West Main St.	30,000.00	30,000.00
Improvements to Sewer Utility	8,000.00	8,000.00
Acquisition of Property	3,100,000.00	3,100,000.00
Purchase of Sewer Pumps	16,398.00	16,398.00
Various Sewer Improvements	50,000.00	50,000.00
Replacement of Hydraulic Sewer Cleaner	41,110.00	41,110.00
Acquisition of Dump Truck	53,743.50	53,743.50
Improvements to Sewer Utility - Ord. 21-05	38,241.00	38,241.00
	<u>\$ 5,369,481.34</u>	<u>\$ 5,369,481.34</u>
<u>REF.</u>	E	E

BOROUGH OF HIGH BRIDGE

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE DATE</u>	<u>ORDINANCE AMOUNT</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>NEW AUTHORIZATIONS</u>	<u>BALANCE DECEMBER 31, 2013</u>
General Improvements:						
2007-24	Sewer Maps	08/09/07	7,000.00	\$ 7,000.00	\$	\$ 7,000.00
2012-15	Replacement of Sewer Pumps	07/19/12	50,000.00	50,000.00		50,000.00
2013-08	Infiltration Study and Improvements	03/28/13	60,000.00		60,000.00	60,000.00
				<u>\$ 57,000.00</u>	<u>\$ 60,000.00</u>	<u>\$ 117,000.00</u>
			<u>REF.</u>	E	E-15	E

"E-20"

BOROUGH OF HIGH BRIDGE
SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST PAYABLE

	<u>REF.</u>		
Balance, December 31, 2012	E	\$	48,833.59
Increased by:			
Charges to 2013 Budget Appropriations	E-4		130,000.00
		\$	<u>178,833.59</u>
Decreased by:			
Cash Disbursements	E-5		<u>129,836.25</u>
Balance, December 31, 2013	E	\$	<u><u>48,997.34</u></u>

"E-21"

SEWER UTILITY CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2012	E	\$	5,000.00
Increased by:			
Charges to Improvement Authorizations	E-15		<u>40,825.00</u>
Balance, December 31, 2013	E	\$	<u><u>45,825.00</u></u>

BOROUGH OF HIGH BRIDGE

SOLID WASTE UTILITY FUND

SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2012	F	\$ 210,738.25	\$ 6,280.78
Increased by Receipts:			
Collector	F-5	\$ 371,380.85	\$
Miscellaneous Revenue Not Anticipated	F-2	<u>2,022.85</u>	
		373,403.70	
		\$ <u>584,141.95</u>	\$ <u>6,280.78</u>
Decreased by Disbursements:			
2013 Appropriations	F-3	\$ 293,689.95	\$
2012 Appropriation Reserves	F-9	<u>19,459.00</u>	
		<u>313,148.95</u>	
Balance, December 31, 2013	F	\$ <u><u>270,993.00</u></u>	\$ <u><u>6,280.78</u></u>

BOROUGH OF HIGH BRIDGE
SOLID WASTE UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>	<u>OPERATING</u>
Increased by Receipts:		
Consumer Accounts Receivable	F-6	\$ 368,120.33
Interest on Delinquent Accounts	F-2	3,144.61
Miscellaneous	F-2	<u>115.91</u>
		\$ <u>371,380.85</u>
Decreased by Disbursements:		
Payment to Treasurer:		
Solid Waste Operating Fund	F-4	\$ <u><u>371,380.85</u></u>

BOROUGH OF HIGH BRIDGE
SOLID WASTE UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>REF.</u>	
Balance, December 31, 2012	F	\$ 29,537.34
Increased by:		
Solid Waste Charges Levied - Net		373,125.32
		\$ <u>402,662.66</u>
Decreased by:		
Collection	F-2:F-5	<u>368,120.33</u>
Balance, December 31, 2013	F	\$ <u><u>34,542.33</u></u>

SCHEDULE OF ENCUMBRANCES PAYABLE

Balance, December 31, 2012	F	\$ 19,459.00
Increased by:		
Transfer from Budget Appropriations	F-3	21,091.00
		\$ <u>40,550.00</u>
Decreased by:		
Transfer to Appropriation Reserves	F-9	<u>19,459.00</u>
Balance, December 31, 2013	F	\$ <u><u>21,091.00</u></u>

BOROUGH OF HIGH BRIDGE
SOLID WASTE UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>ORDINANCE</u> <u>AMOUNT</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
General Improvements:					
2011-16	Dump Truck Cab/Chassis	06/09/11	\$ 114,000.00	\$ <u>114,000.00</u>	\$ <u>114,000.00</u>
				\$ <u>114,000.00</u>	\$ <u>114,000.00</u>
			<u>REF.</u>	F	F

BOROUGH OF HIGH BRIDGE
SOLID WASTE UTILITY OPERATING FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES

	BALANCE DECEMBER <u>31, 2012</u>	BALANCE AFTER <u>TRANSFERS</u>	PAID OR <u>CHARGED</u>	BALANCE <u>LAPSED</u>
Operating:				
Salaries and Wages	\$ 1,421.70	\$ 1,421.70	\$	\$ 1,421.70
Other Expenses	6,850.06	26,309.06	19,459.00	6,850.06
Contributions to:				
Social Security System (O.A.S.I.)	<u>108.92</u>	<u>108.92</u>	<u> </u>	<u>108.92</u>
	<u>\$ 8,380.68</u>	<u>\$ 27,839.68</u>	<u>\$ 19,459.00</u>	<u>\$ 8,380.68</u>
<u>REF.</u>	F		F-4	F-1
Balance, December 31, 2012	F-9	\$ 8,380.68		
Encumbrances Payable	F-7	<u>19,459.00</u>		
		<u>\$ 27,839.68</u>		

BOROUGH OF HIGH BRIDGE
SOLID WASTE UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	BALANCE DECEMBER 31, 2013	BALANCE DECEMBER 31, 2012
Leaf Vacuum	\$ 19,836.00	\$ 19,836.00
Leaf Vacuum Impeller	811.50	811.50
Purchase of Leaf Vacuum	20,360.95	20,360.95
Purchase of Chipper	7,580.22	7,580.22
	<hr/>	<hr/>
	\$ 48,588.67	\$ 48,588.67
	<hr/> <hr/>	<hr/> <hr/>
<u>REF.</u>	F	F

BOROUGH OF HIGH BRIDGE
SOLID WASTE UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORD.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORDINANCE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE DECEMBER 31, 2012</u>
	General Improvements:			
2011-16	Dump Truck Cab/Chassis	06/09/11	\$ <u>114,000.00</u>	\$ <u>114,000.00</u>
			\$ <u>114,000.00</u>	\$ <u>114,000.00</u>
		<u>REF.</u>	F	F

"F-12"

BOROUGH OF HIGH BRIDGE
SOLID WASTE UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2012	F	\$	48,588.67
Balance, December 31, 2013	F	\$	<u>48,588.67</u>

"F-13"

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance, December 31, 2012	F	\$	6,280.78
Balance, December 31, 2013	F	\$	<u>6,280.78</u>

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BOROUGH OF HIGH BRIDGE

PART II

REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

SCHEDULE OF EXPENDITURES OF
FEDERAL FINANCIAL AWARDS

SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE



SUPLEE, CLOONEY & COMPANY

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and Members
of the Borough Council
Borough of High Bridge
County of Hunterdon
High Bridge, New Jersey 08829

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Borough of High Bridge, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements, and have issued our report thereon dated June 4, 2014. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of High Bridge prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the regulatory financial statements, we considered the Borough's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of Borough's internal control.

SUPLEE, CLOONEY & COMPANY

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Borough of High Bridge's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of High Bridge's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of High Bridge's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

June 4, 2014

BOROUGH OF HIGH BRIDGE

SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL AWARDS
YEAR ENDED DECEMBER 31, 2013

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2013	2013	CUMULATIVE EXPENDITURES DECEMBER 31, 2013
			FROM	TO		FUNDS RECEIVED	EXPENDITURES	
<u>Department of Homeland Security</u>								
<u>Public Assistance for Presidentially Declared</u>								
<u>Disasters - Passed through the New Jersey Office</u>								
<u>of Emergency Management:</u>								
Hurricane Irene	97.036	N/A	01/01/13	12/31/13	94,355.25 \$	94,355.25 \$	94,355.25 \$	94,355.25
Hurricane Sandy	97.036	N/A	01/01/13	12/31/13	83,876.11	83,876.11	83,876.11	83,876.11
						\$ 178,231.36	\$ 178,231.36	\$ 178,231.36

BOROUGH OF HIGH BRIDGE

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2013

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2013	2013	CUMULATIVE EXPENDITURES DECEMBER 31, 2013
		FROM	TO		RECEIVED	EXPENDITURES	
<u>Department of Environmental Protection</u>							
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	Continuous		\$ 3,131.36	\$	2,430.00	2,430.00
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	Continuous		3,723.13	3,723.13		
Clean Communities Program- 2012	4900-765-042-4900-004-V42Y-6020	Continuous		7,010.90		486.03	6,800.00
Clean Communities Program-2013	4900-765-042-4900-004-V42Y-6020	Continuous		8,231.37	8,231.37		
Hazardous Discharge Grant	N/A	1/1/08	12/31/08	92,460.00	8,406.00	1,500.00	68,600.69
Dam Safety and Flood Control	4895-574-042-4895-001-V22G-6510	1/1/07	12/31/13	3,600,000.00	420,768.34		3,318,592.36
					<u>441,128.84</u>	<u>4,416.03</u>	<u>3,396,423.05</u>
<u>Department of Community Affairs</u>							
Smart Growth Solitude House	8049-580-022-8049-001-F000-6120	8/15/11	8/15/13	50,000.00	10,000.00		
<u>Department of Law and Public Safety</u>							
Drunk Driving Enforcement Fund-2010	6400-100-078-6400-YYYY	Continuous		2,447.11		381.39	1,942.56
Drunk Driving Enforcement Fund-2012	6400-100-078-6400-YYYY	Continuous		3,000.00			
Drunk Driving Enforcement Fund-2013	6400-100-078-6400-YYYY	Continuous		3,000.00	3,000.00		
Body Armor Replacement Fund-2010	1020-718-066-1020-001-VCJS-6120	Continuous		1,051.93			
Body Armor Replacement Fund-2011	1020-718-066-1020-001-VCJS-6120	Continuous		1,096.45			
Body Armor Replacement Fund-2012	1020-718-066-1020-001-VCJS-6120	Continuous		1,112.96			
Body Armor Replacement Fund-2013	1020-718-066-1020-001-VCJS-6120	Continuous		1,299.16	1,299.16		
					<u>4,299.16</u>	<u>381.39</u>	<u>1,942.56</u>
<u>NJ Highlands Council</u>							
NJ Highlands Water Protection-Plan Conformance	N/A	Continuous		250,580.15		101,100.00	232,310.50
<u>Department of Transportation</u>							
Improvements to Cregar Road	6320-480-078-6320-AJ4-TCAP-6010	Continuous		195,000.00	58,750.00	58,750.00	195,000.00
					<u>\$ 514,178.00</u>	<u>\$ 164,647.42</u>	<u>\$ 3,825,676.11</u>

BOROUGH OF HIGH BRIDGE

NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2013

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial awards present the activity of all federal and state financial award programs of the Borough of High Bridge, County of Hunterdon, New Jersey. All federal and state financial awards received directly from federal or state agencies, as well as federal financial awards passed through other government agencies is included on the Schedule of Expenditures of Federal and State Financial Awards.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial awards are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the Borough's financial statements - regulatory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related financial reports due to differences between the grant reporting year and the Borough's fiscal year.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Borough's regulatory basis financial statements. These amounts are reported in the Current Fund, Grant Fund, General Capital Fund or Trust Other Fund. Reconciliations of revenues and expenses are presented on the following page.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS-REGULATORY BASIS (CONTINUED)

Revenues:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 178,231.36	\$	\$ 231,589.00	\$ 409,820.36
Grant Fund		34,659.66	1,974.37	36,634.03
General Capital Fund	<u> </u>	<u>479,518.34</u>	<u> </u>	<u>479,518.34</u>
	<u>\$ 178,231.36</u>	<u>\$ 514,178.00</u>	<u>\$ 233,563.37</u>	<u>\$ 925,972.73</u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 178,231.36	\$	\$	\$ 178,231.36
Grant Fund		105,897.42	2,542.11	108,439.53
General Capital Fund	<u> </u>	<u>58,750.00</u>	<u> </u>	<u>58,750.00</u>
	<u>\$ 178,231.36</u>	<u>\$ 164,647.42</u>	<u>\$ 2,542.11</u>	<u>\$ 345,420.89</u>

NOTE 5. OTHER

Matching contributions expended by the Borough in accordance with terms of the various grants are not reported in the accompanying schedule.

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PART III

BOROUGH OF HIGH BRIDGE

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2013

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

	YEAR 2013		YEAR 2012	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 582,000.00	3.78%	\$ 582,000.00	3.84%
Miscellaneous-From Other Than Local				
Property Tax Levies	2,876,806.97	18.66%	2,851,759.68	18.79%
Collection of Delinquent Taxes and Tax Title Liens	174,505.03	1.13%	174,597.80	1.15%
Collection of Current Tax Levy	<u>11,781,641.00</u>	<u>76.43%</u>	<u>11,567,271.46</u>	<u>76.22%</u>
<u>TOTAL INCOME</u>	<u>15,414,953.00</u>	<u>100.00%</u>	<u>15,175,628.94</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	5,954,402.81	39.73%	5,777,153.78	39.73%
County Taxes	1,293,149.21	8.63%	1,359,558.69	9.35%
School Taxes	7,737,068.00	51.62%	7,401,161.94	50.90%
Other	<u>2,750.80</u>	<u>0.02%</u>	<u>2,278.11</u>	<u>0.02%</u>
<u>TOTAL EXPENDITURES</u>	<u>14,987,370.82</u>	<u>100.00%</u>	<u>14,540,152.52</u>	<u>100.00%</u>
Excess in Revenue	427,582.18		635,476.42	
Adjustments to Income Before Fund Balance				
Expenditures Included Above Which are by Statute				
Deferred Charges to the Budget of the Succeeding Year	<u>28,798.00</u>			
Statutory Excess to Fund Balance	456,380.18		635,476.42	
Fund Balance, January 1	<u>1,168,497.25</u>		<u>1,115,020.83</u>	
	1,624,877.43		1,750,497.25	
Less: Utilization as Anticipated Revenue	<u>582,000.00</u>		<u>582,000.00</u>	
Fund Balance, December 31	\$ <u>1,042,877.43</u>		\$ <u>1,168,497.25</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE-WATER UTILITY FUND

	YEAR 2013		YEAR 2012	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 56,449.62	15.23%	\$ 44,500.00	12.11%
Collection of Water Rents	287,243.22	77.50%	306,537.22	83.43%
Miscellaneous-from other than Water Rents	26,947.73	7.27%	16,399.29	4.46%
<u>TOTAL INCOME</u>	<u>370,640.57</u>	<u>100.00%</u>	<u>367,436.51</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	297,594.53	83.49%	317,086.78	79.37%
Deferred Charges and Statutory Expenditures	40,891.09	11.47%	9,449.22	2.37%
Debt Service	12,964.00	3.64%	12,964.00	3.25%
Capital Improvements	5,000.00	1.40%	60,000.00	15.02%
<u>TOTAL EXPENDITURES</u>	<u>356,449.62</u>	<u>100.00%</u>	<u>399,500.00</u>	<u>100.00%</u>
Excess in Revenue	14,190.95		(32,063.49)	
Adjustments to Income Before Fund Balance				
Expenditures Included above which are by Statute				
Deferred Charges to the Budget of the Succeeding Year			25,000.00	
Statutory Excess to Fund Balance	14,190.95			
Deficit in Operations to be raised in budget of Succeeding Year			7,063.49	
Fund Balance, January 1	101,668.61		146,168.61	
	115,859.56		146,168.61	
Less: Utilization as Anticipated Revenue	56,449.62		44,500.00	
Fund Balance, December 31	\$ 59,409.94		\$ 101,668.61	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE-SEWER UTILITY FUND

	YEAR 2013		YEAR 2012	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 119,296.56	11.32%	\$ 168,398.00	17.67%
Collection of Sewer Rents	755,969.51	71.76%	768,132.86	80.58%
Miscellaneous - from other than Sewer Rents	178,259.76	16.92%	16,748.70	1.76%
<u>TOTAL INCOME</u>	<u>1,053,525.83</u>	<u>100.00%</u>	<u>953,279.56</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	715,186.83	82.27%	756,866.89	81.31%
Deferred Charges and Statutory Expenditures	9,109.73	1.05%	8,931.11	0.96%
Debt Service	145,000.00	16.68%	140,100.00	15.05%
Capital Improvements			25,000.00	2.69%
<u>TOTAL EXPENDITURES</u>	<u>869,296.56</u>	<u>100.00%</u>	<u>930,898.00</u>	<u>100.00%</u>
Excess in Revenue	184,229.27		22,381.56	
Fund Balance, January 1	<u>573,189.86</u>		<u>719,206.30</u>	
	757,419.13		741,587.86	
Less: Utilization as Anticipated Revenue	<u>119,296.56</u>		<u>168,398.00</u>	
Fund Balance, December 31	\$ <u>638,122.57</u>		\$ <u>573,189.86</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE-SOLID WASTE UTILITY FUND

	YEAR 2013		YEAR 2012	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$		\$	
Collection of Solid Waste Charges	368,120.33	96.42%	371,389.50	95.16%
Miscellaneous - from other than Solid Waste Charges	13,664.05	3.58%	18,907.47	4.84%
<u>TOTAL INCOME</u>	<u>381,784.38</u>	<u>100.00%</u>	<u>390,296.97</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	318,253.95	99.03%	321,432.95	99.05%
Deferred Charges and Statutory Expenditures	3,128.39	0.97%	3,067.05	0.95%
<u>TOTAL EXPENDITURES</u>	<u>321,382.34</u>	<u>100.00%</u>	<u>324,500.00</u>	<u>100.00%</u>
Excess in Revenue	60,402.04		65,796.97	
Fund Balance, January 1	<u>182,898.57</u>		<u>117,101.60</u>	
Fund Balance, December 31	\$ <u>243,300.61</u>		\$ <u>182,898.57</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate	<u>\$3.324</u>	<u>\$3.168</u>	<u>\$3.159</u>
Apportionment of Tax Rate:			
Municipal	\$0.842	\$0.817	\$0.789
County	0.297	0.304	0.313
County Library	0.030	0.031	0.027
County Open Space	0.030	0.031	0.033
Local Regional School	1.502	1.446	1.417
Regional High School	<u>0.623</u>	<u>0.539</u>	<u>0.580</u>

Assessed Valuations:

2013	\$ <u>364,091,874.00</u>		
2012		\$ <u>372,796,899.00</u>	
2011			\$ <u>377,043,217.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2013	\$ 12,102,413.98	\$ 11,781,641.00	97.34%
2012	11,810,978.22	11,567,271.46	97.94%
2011	11,912,973.82	11,685,715.45	98.09%

DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison expressed in percentage of the total delinquent taxes, in relation to the tax levies of the last three years:

<u>DECEMBER</u> <u>31, YEAR</u>	<u>TAX</u> <u>TITLE</u> <u>LIENS</u>	<u>AMOUNT OF</u> <u>DELINQUENT</u> <u>TAXES</u>	<u>TOTAL</u>	<u>PERCENTAGE</u> <u>OF TAX</u> <u>LEVY</u>
2013	\$ 5,031.70	\$ 213,622.75	\$ 218,654.45	1.81%
2012	3,667.85	173,334.23	177,002.08	1.49%
2011	2,562.21	174,027.59	176,589.80	1.48%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, was as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2013	\$176,000.00
2012	\$243,600.00
2011	\$114,600.00

COMPARISON OF WATER UTILITY LEVIES

<u>YEAR</u>		<u>LEVY</u>		<u>CASH COLLECTIONS *</u>
2013	\$	287,676.66	\$	287,243.22
2012		307,799.89		306,537.22
2011		329,386.42		336,161.94

* Includes Collection of Prior Year Levies

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>		<u>LEVY</u>		<u>CASH COLLECTIONS *</u>
2013	\$	772,187.92	\$	755,969.51
2012		769,080.44		768,132.86
2011		780,742.50		804,323.11

* Includes Collection of Prior Year Levies

COMPARISON OF SOLID WASTE LEVIES

<u>YEAR</u>		<u>LEVY</u>		<u>CASH COLLECTIONS *</u>
2013	\$	373,125.32	\$	368,120.33
2012		372,947.99		371,389.50
2011		396,060.00		410,342.21

* Includes Collection of Prior Year Levies

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2013	\$ 1,042,877.43	\$ 422,000.00
	2012	1,168,497.25	582,000.00
	2011	1,115,020.83	582,000.00
	2010	1,441,103.14	582,000.00
	2009	1,168,825.68	582,000.00
Water Utility Operating Fund	2013	59,409.94	23,620.00
	2012	101,668.61	56,449.62
	2011	146,168.61	44,500.00
	2010	175,497.81	79,144.44
	2009	212,680.20	37,182.39
Sewer Utility Operating Fund	2013	638,122.57	100,000.00
	2012	573,189.86	119,296.56
	2011	719,206.30	168,398.00
	2010	702,407.47	113,860.44
	2009	825,923.61	243,823.64
Solid Waste Utility Operating Fund	2013	243,300.61	160,000.00
	2012	182,898.57	None
	2011	117,101.60	None
	2010	186,526.87	109,322.90
	2009	188,745.39	13,207.05

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF SURETY</u>
Mark Desire	Mayor	*	
Tom Flynn	Councilman	*	
Lynn Hughes	Councilwoman	*	
Karen Scarcia	Councilwoman	*	
Victoria Miller	Councilwoman	*	
Dean Rapp	Councilman	*	
Michael Stemple	Councilman	*	
Diane Seals	Borough Clerk Utility Collector	* \$1,000,000.00	
Douglas Walker	Borough Administrator To 6/12/13	*	
John Gregory	Borough Administrator From 12/02/13	*	
Bonnie Ann Fleming	Chief Financial Officer, Tax Collector	\$1,000,000.00	
Ann Marie Obiedzinski	Tax Assessor	*	
Barry Goodman	Municipal Attorney		
Robert Ballard	Borough Prosecutor		
Brett Bartman	Police Chief	*	

*Public Employees Blanket Bond with the State Insurance Fund in the amount of \$1,000,000.00.

GENERAL COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR (N.J.S.A. 40A:11-4)

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.198 (C.40A:11-3), except by contract or agreement.

Effective July 1, 2010 the bid threshold was increased to \$36,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

The minutes did not indicate that any bids were requested by public advertising.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

The minutes indicate that resolution authorizing contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 was advertised during 2013 for the following professional services:

Borough Auditor	Bond Counsel
Borough Engineer	Borough Planner
Borough Attorney	Various Special Counsel
Environmental Consultant	

GENERAL COMMENTS (CONTINUED)

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

The statute provides the method for authorizing interest and the maximum rate to be charged for the non-payment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 3, 2013 adopted the following resolution authorizing interest to be charged on delinquent taxes.

BE IT RESOLVED by the Mayor and Council of the Borough of High Bridge, County of Hunterdon, State of New Jersey, that taxes and utilities rent shall be collected quarterly. Taxes are due on February 1, 2013, May 1, 2013, August 1, 2013 and November 1, 2013.

BE IT FURTHER RESOLVED that interest will be charged at the rate of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00 to be calculated from the date the tax and/or utilities rent was payable until the date of actual payment. There will be a ten-day (10) grace period after which unpaid taxes and/or utilities rent will be charged interest from the due date.

BE IT FURTHER RESOLVED that pursuant to statute, if a tax and/or utilities rent delinquency is over \$10,000.00 at the end of the year, and additional flat penalty of 6% per annum shall be imposed on that delinquency.

BE IT FURTHER RESOLVED that, in the event that the Borough conducts a sale for unpaid municipal taxes, the interest rate on said tax certificate shall begin at a maximum of 18% per annum.

It appears from an examination of the records that interest was collected in accordance with the forgoing resolution.

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on October 25, 2013 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

The following comparison is made of the number of tax title liens receivable on December 31st of the last three years:

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2013	3
2012	2
2011	2

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax paying basis.

CONFIRMATION OF DELINQUENT TAXES AND OTHER CHARGES

A confirmation of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services consisting of verification notices as follows:

<u>TYPE</u>	<u>NUMBER</u>
Delinquent Tax Positive Confirmation	25
Delinquent Utility Rent Positive Confirmation	25
Information Tax Current Positive Confirmation	25
Information Utility Rent Positive Confirmation	25

OTHER COMMENTS

Interfunds

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year.

It is the Borough's policy to review and liquidate all interfund balances on a periodic basis.

RECOMMENDATIONS

None

